

FINANCIAL TIMES

Politics Today: why the Thatcher revolution may be over, Page 19

EUROPE'S BUSINESS NEWSPAPER

No. 29,843

Friday January 31 1986

D 8523 B

World news

Business summary

Troops in Haiti told to hold their fire

Army commanders in Haiti have instructed troops not to fire on people taking part in the current wave of anti-government protests, except in cases of self defence, diplomats reported.

The development came as the dictatorship of President-for-Life Jean Claude Duvalier appeared increasingly shaky in the face of mounting opposition.

In Washington, the US State Department was said to be delaying the certification of the Haitian Government as eligible for direct aid because of human rights abuses.

Page 4

Debts top agenda

Mexico's President Miguel de la Madrid and Venezuelan President Jaime Lusinchi began talks in Cancun, Mexico, which were expected to centre on their countries' foreign debt obligations in the wake of falling oil prices.

Fibre tangle grows

US Trade Representative Clayton Yeutter warned that if the European Commission retaliated against a US import ban on the Dutch fibre Twaron, it might bring a similar US reaction.

Palace shelled

Lebanon's President Amin Gemayel escaped unharmed when his palace compound in Baabda was shelled by forces of Muslim militias that have pressed for his resignation.

Jerusalem killing

Gunmen firing from a car killed an Israeli police officer responsible for criminal intelligence in the Jerusalem area. Two other people were hurt in the shooting near the walls of the old city.

Tan's bail doubled

Malaysian political leader Tan Koon Swan pleaded not guilty in Singapore to 15 fraud-related charges involving \$828.7m (\$14.3m). The court doubled his bail to \$940, ordered surrender of his passport and set the trial for May 5.

Kurds protest

Kurdish exiles briefly occupied political and news offices in Hamburg, Frankfurt and other West German cities and urged the Bonn Government to send military aid to Turkey, which it accused of killing thousands of Kurds.

Ariane date put off

The first flight of the European Ariane rocket from a new launching pad at Kourou, French Guiana, has been postponed until March 12. One more launch from the original pad is to be made on February 21.

Doctors strike

Chilean police used tear gas and water cannon to break up a demonstration by about 200 doctors who called a one-day strike in Santiago to protest against the level of health spending by the military Government.

Press freedom pledge

Hong Kong press executives were told that the UK colony will retain press freedoms after it reverts to China in 1997. But Lu Ping, Peking's Secretary for Hong Kong and Macao Affairs, said the freedoms would be subject to the condition that Chinese sovereignty "should not be damaged".

Manila reviews ties

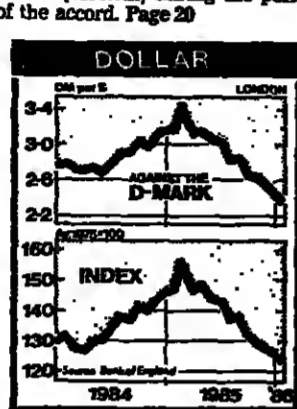
Philippines' President Ferdinand Marcos called for a review of "fuzzy" relations with Washington, while US President Ronald Reagan said he would propose more aid to Manila after a "credible" result from February 7 elections. Page 3

World population

The world's population grew by 85m in 1985 to a total of 4.9bn, the Population Institute reported.

Cuba and Britain in trade accord

CUBAN Government and a British trading group signed a five-year agreement aimed at boosting trading between the two countries by \$200m (\$488.5m) during the period of the accord. Page 20



DOLLAR was weaker in London, falling to DM 2.579 (DM 2.5875), SFR 2.02 (SFR 2.0215), FFf 7.2925 (FFf 7.325) and Y193.0 (Y194.0). The dollar's exchange rate index on Bank of England figures fell from 123.4 to 123.1. Page 31

STERLING was firmer in London, gaining 75 points against the dollar to \$1.41. It also rose to DM 3.355 (DM 3.3475), SFR 2.0475 (SFR 2.035), FFf 10.2825 (FFf 10.2725) and Y272.25 (Y272.0). The pound's exchange rate index rose to 74.4 from 74.2. Page 31

WALL STREET: The Dow Jones industrial average closed 6.78 down at 1,552.18. Page 38

LONDON: Equities and gilts were higher. The FT Ordinary share index gained 6.4 to a record 1,156.4 and the FT-SE 100 index added 8.1 to 1,429.1. Page 38

TOKYO: Most stocks moved lower as speculators took gains. The Nikkei average lost 3.1 to 12,949.04. Page 38

GOLD rose \$2.75 on the London bullion market to \$357.75 and rose \$3.00 in Zurich, also to \$357.75. Page 38

WEST GERMANY'S trade surplus could fall from its 1985 record level to somewhere in the DM 65m range through a projected growth in imports of 5.5 to 6.5 per cent, according to Bonn's annual economic report. Page 2

INDONESIA, world's second biggest tin producer, said it rejected any rescue package that involved producers and consumers bearing losses sustained by the International Tin Council buffer stock. Page 20

OLIVETTI of Italy, Europe's leading manufacturer of office information equipment, increased after-tax profits in 1985 by about 20 per cent to more than \$250m. Page 21

PEOPLE EXPRESS, US cut-price airline, expects losses in the fourth quarter to be greater than forecast. Page 21

LONBERO, UK mining, engineering and publishing group, returned a pre-tax profit for 1985 of £158.3m (£220m), up 17 per cent on 1984 with earnings a share 22 per cent higher. Page 26

XEROX, US office equipment group, more than doubled income from continuing operations in its fourth quarter to \$112m. Page 21

METAL BOX, UK packaging group, is to license its new generation of plastic containers to Consumers Glass Company of Canada. The agreement includes Consumers Glass from selling the products in the US market.

TIME INC, largest US magazine publisher, reported a 23 per cent fall in fourth-quarter profits and announced plans for a 5 per cent cut in jobs at its magazine group. Page 21

METALLGESKISCHAFT of West Germany and Louis Dreyfus of France have agreed to establish a major trading company in Austria in co-operation with Oig, holding company for the country's nationalised industries. Page 21

US trade deficit reaches record \$17.4bn in month

BY STEWART FLEMING IN WASHINGTON

THE US merchandise trade deficit in December surged to record \$17.4bn, intensifying concerns that the long awaited improvement in America's trade accounts as a result of the falling dollar will be slower to materialise than the Reagan Administration has been hoping.

The huge trade deficit, coupled with a somewhat smaller-than-expected rise in the Commerce Department's index of leading indicators which the Government said rose 0.9 per cent in December, combined to send the dollar skidding on the foreign exchanges. At one stage, it had dropped to 2.50 against the D-Mark to DM 2.3650, but by mid-morning in New York it had stabilised around DM 2.38.

The latest trade figures will tend to stir the protectionist pressures that have been subdued since the Administration's efforts since September to engineer an orderly decline in the dollar's value. There was speculation yesterday that the worrying trade figures will intensify demands that the Federal Reserve Board lower interest rates and that America's industrial country trading partners take steps to accelerate their economic growth.

Mr Larry Speakes, the White House spokesman, described the

Department to publish two separate sets of monthly trade figures this year. Yesterday, for example, it revised down from \$13.7bn to \$12.8bn its initial estimate of the November trade deficit.

The unprecedented December trade deficit seems destined, nevertheless, to encourage Congressional critics of the Administration's trade policies to tune up their political rhetoric. Not only has the trade deficit for 1985 apparently risen to \$144.5bn from \$123.3bn in 1984, there is as yet no conclusive evidence of an improvement in the trends.

Imports in 1985 rose 6 per cent to \$381.6bn (in December, imports appear to have risen by 15.4 per cent to \$34.4bn). US exports, in spite of stronger economic growth by US trading partners, fell 2.2 per cent in the year to \$213.1bn and 4.5 per cent in December to \$17bn.

Worrying to those who have been hoping for a rapid turnaround in the trade accounts as a result of a fall in the dollar - which should make exports cheaper and imports more expensive - is the evidence that exporters are only just beginning slowly to increase their dollar prices.

UK jobless climbs as OECD warns on outlook

BY PHILIP STEPHENS, ECONOMICS CORRESPONDENT, IN LONDON

OFFICIAL expectations of an improvement in Britain's unemployment outlook were seriously dented yesterday by figures showing that the number of people out of work in the UK rose sharply to reach record levels in January.

The figures coincided with a report by the Paris-based Organisation for Economic Co-operation and Development (OECD) warning that Britain's unemployment problem appeared more persistent and deep-seated than in the great depression of the 1930s.

The Department of Employment said that the seasonally adjusted jobless total, the best guide to underlying trends in the labour market, rose by 20,000 this month to reach an all-time high of 4.2m or 13.2 per cent. The unadjusted total,

which includes school-leavers, scored by 124,000 to a record 3.4m, or 14.1 per cent.

The rise in the adjusted total is the second in consecutive months following a period of several months when it appeared that the unemployment trend had levelled out.

In the House of Commons the figures brought a storm of criticism of the Government's economic policies from Opposition leaders and were described by Mrs Margaret Thatcher, the Prime Minister, as "deeply disappointing".

Mr Neil Kinnock, the Labour Party leader, said that Mrs Thatcher had promised to reduce unemployment when it stood at 1.1m in 1979. "Would you give the same promise now?" he asked.

Mr Richard Wainwright, the Liberal Party's employment spokesman, said that figures must "jolt the Government into a complete rethink of policy."

The Prime Minister and Lord Young, Employment Secretary, said, however, that it was too early to say that the jobs total was on a renewed upward trend. "After two years' rise we must not overreact. Continuing growth in the economy and falling inflation will help to keep new jobs coming," Lord Young said.

Government officials were also stressing that it was not clear whether the latest figures marked a

Continued on Page 20

Details, Page 8; Editorial comment, Page 18

London looks at the relaxation of rules governing new issues

BY BARRY RILEY IN LONDON

PROPOSALS for relaxation of the London Stock Exchange's rules on new issues are aimed for public discussion in a document entitled 'Placings and the Exchange's quotations department'.

It is suggested that it should be made much easier for companies to come to the market by way of a placing rather than a public offer for sale, a fairer but more expensive method. The amount of money that could be raised through an initial placing should be increased sharply from \$2m to £25m (\$4.25m to \$35.25m) the committee on quotations suggests.

Companies already listed should be free to place new shares with investors on any scale, the committee says. At present they are required to offer new shares to existing investors in strict proportion to their shareholdings, in what are known as issues by way of pre-emptive rights. There are only limited exceptions to this rule.

The suggested measures are being proposed in response to the likely pressures that will arise from the revolutionary changes in the structure of the securities market in London, culminating in next October's "Big Bang".

For primary issues, or flotations, the existing rules are regarded by the committee as likely to come under pressure "if they are seen to prevent the large new financial groupings from using their own financial strength to purchase, place or underwrite issues in their own group."

It is seen as unlikely that limits on placings could be enforced through the stock exchange rules after "Big Bang". The new groups would regard them as an unnatural constraint on business and companies wishing to come to the market "could well be offered attractive and economic alternative propositions."

Therefore, public offers for sale, which guarantee an equal opportunity to all investors, would only be required for issues raising, it is suggested, £25m or more, subject to regular review. Below that, placings and other forms of marketing would be permitted, subject to the committee being satisfied that the

method chosen was likely to result in sufficient capital being well spread in public hands.

On the subject of secondary issues - issues by companies already listed, or traded on the Unlisted Securities Market - the committee says that a rights issue "is undoubtedly the most fair method of raising additional capital for a company from the point of view of the shareholders."

Moreover, these pre-emption requirements are contained in company law, although it is possible for companies to seek the agreement of shareholders in general meeting to disapply them.

The committee now thinks it is right to allow companies more freedom to avoid the constraints of pre-emption, by removing all monetary and percentage restrictions on both cash and vendor placings.

Flotations and Pre-emption. Circulated by the Quotations Department of the London Stock Exchange, London. EC2. Tel. 01-588 2355.

Agusta barred by Rome from consortium, says Fiat

By James Sutton in Rome

FIAT, the Italian private sector group bidding with Sikorsky of the US to take a stake in Westland, alleged yesterday that the Italian Government was refusing to allow Agusta, the state-owned helicopter maker, to join its consortium.

The unrepresented December trade deficit seems destined, nevertheless, to encourage Congressional critics of the Administration's trade policies to tune up their political rhetoric. Not only has the trade deficit for 1985 apparently risen to

Mr Cesare Romiti, Fiat's managing director, also confirmed in a newspaper interview earlier reports that Fiat and Agusta had discussed the possibility of Fiat buying a stake in the helicopter maker.

Mr Romiti said he had proposed that Agusta join Sikorsky and Fiat in bidding for Westland, both when the US-led consortium was formed and after the Westland shareholders' meeting of January 17. He said that on the latter occasion he told Agusta - as well as its parent, the state holding company ENAM, and Mr Clelio Darida, the Minister of State Industry - that Sikorsky would be prepared to help Agusta market the EH 101 helicopter in the US.

However, Mr Romiti said he had been informed in the last few days that "for political reasons" the Italian Government had decided to turn down Fiat's invitation. The matter had been discussed by ministers in the presence of Mr Bettino Craxi, the Italian Prime Minister.

Mr Romiti said that Mr Stefano Sandri, chairman of ENAM, had subsequently approached him again to ask if the subject could be reopened. "I replied that the new Sikorsky/Fiat offer (for Westland) had been presented but that we could talk about it again after the [next] Westland shareholders' meeting" (on February 12).

The Fiat managing director was breaking a long silence on details of its relations with Agusta after a statement to Parliament by Mr Giuliano Amato, the Minister of State in Mr Craxi's office, in which he criticised Fiat for its alleged lack of contact with either the Government or Agusta over the Westland affair. Mr Amato also criticised the European consortium for not wishing to have contact with the US.

Mr Romiti said that "more than a year ago", he was asked by Mr Sandri and Mr Raffaello Tei, chairman of Agusta, if Fiat would be interested in taking a "significant" stake in the helicopter company, which has serious financial problems.

He replied by stating, "since I was not convinced by the idea, bear

Continued on Page 20

Probe into Westland share dealings

BY LIONEL BARBER IN LONDON

THE LONDON Stock Exchange has launched a wide-ranging investigation into share dealings in Westland, the ailing UK helicopter maker besieged by two rival rescue plans.

The stock exchange has kept a low profile during the recent hectic share dealing. But this week, after widespread criticism within the exchange and outside, it decided to intervene.

It is concerned that the share trading has breached the spirit, if not the letter, of its rules. The intervention follows a speech this week by Sir Nicholas Goodison, stock exchange chairman, in which he criticised the lack of accountability of the Securities and Investments Board (SIB), the new authority set up by the Government to supervise the City of London.

London financial observers said that Sir Nicholas's criticism about the proposed powers of the SIB and his strong argument for self-regulation have not been helped by the trading in Westland shares. His agreement to an inquiry was described by one leading member of the exchange yesterday as "no accident".

A team of three is heading the inquiry, which was set up this week to examine whether any of the share trading has brought the market into disrepute. The stock exchange

views the matter as one of great urgency and a full statement is expected shortly.

Over the last three weeks buyers backing the Sikorsky/Fiat offer to take a minority stake in Westland, including Sikorsky, the US helicopter maker, have paid prices of up to 50 per cent above the prevailing market for shares. The rival European aerospace consortium has countered, supported by Mr Alan Bristow.

The stock exchange is investigating whether these high prices have created a "false market" in Westland shares and whether the way share-buying has been conducted contravenes its rules.

In a separate development, the Takeover Panel has instructed Mr David Horne, managing director of Lloyds Merchant Bank and spokesman for the consortium, not to make any more public statements following the launch last Wednesday of a tender offer for 21 per cent of Westland's equity.

The panel has also examined whether either the Sikorsky/Fiat camp or the European consortium and its supporters have been acting in concert to push through or block the Sikorsky/Fiat rescue plan to be

Continued on Page 20

News analysis, Page 6; Lex, Page 20

Draper quits US Eximbank for UN

BY NANCY DUNNE IN WASHINGTON

MR WILLIAM DRAPER III, president and chairman of the US Export-Import bank, yesterday announced his resignation and predicted an early settlement of the mixed credits dispute within the Organisation for Economic Co-operation and Development (OECD).

Mr Draper has spearheaded the Reagan Administration's battle against mixed credits, moving aggressively to offer highly concessional financing even before Congress approves a \$1bn "war chest" requested by President Ronald Reagan.

Mr Draper's candidate to succeed him is Mr John Bohn, currently the bank's vice chairman. He said that the White House would probably make an announcement next week.

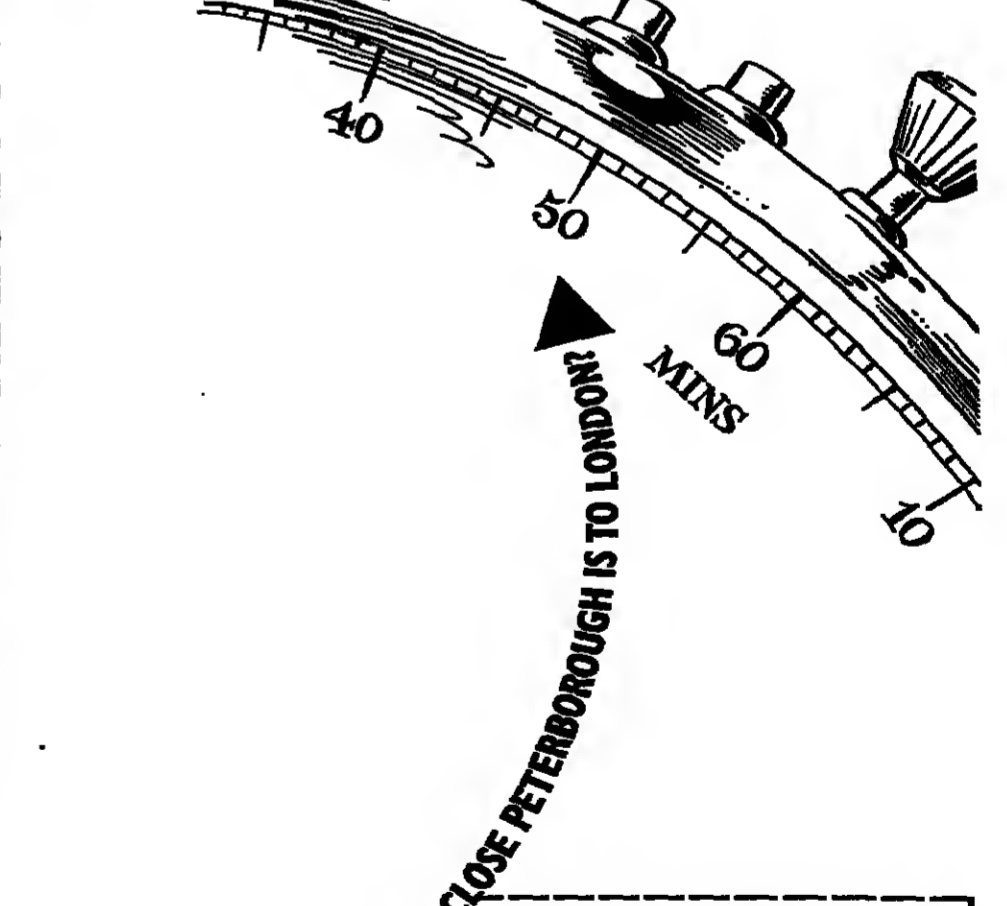
Mr Draper is leaving the job he has held for five years to become administrator of the United Nations

Development Program in New York.

He said yesterday that Japan had promised to support the US demand for an increased aid component on export financing at the March 12-13 meeting of the OECD. He also forecast that the European Community, under its revised mandate system, would also agree to increase the aid component now that the French can no longer dominate proceedings.

Under Mr Draper's leadership, the Eximbank has introduced a long list of improvements in its export promotion programmes. He also negotiated an OECD agreement to peg export credit agency interest rates to market rates.

Consistent with his future role at the UN, he has frequently denounced mixed credits as "a distortion of both aid and trade."



Peterborough is only 50 minutes from London by train. That's a short way to travel for huge reductions in your overheads - for houses, offices or factories - and staff costs without any reduction in the range and quality of business services.

For our free guide to relocation, post the coupon to: John Boulton, Peterborough Development Corporation, PO Box 3, Peterborough PE1 1UJ. Telephone (0733) 68931.

Name _____
Position _____
Company _____
Address _____
Telephone _____

The Peterborough Effect
FT/C3

Europe	2, 11	Editorial comment	18
Companies	21, 22	Eurobonds	24
America	4	Share options	31
Companies	21, 22	Financial Futures	31
Overseas	3	Gold	30
Companies	23	Intl. Capital Markets	34
World Trade	4	Letters	19
Britain	6, 8	Lex	29
Companies	25, 26	Management	12
Agriculture	30	Market Monitors	38
Appointments	27	Men and Matters	18
Arts - Reviews	17	Money Markets	31
World Guide	16	Property	14
Commercial Law	27	Raw materials - Bureau	35, 38
Commodities	30	Stock markets - Bureau	35, 38
Crossword	27	London	32-35, 38
Currencies	31	Technology	10
		Unit Trusts	27-29
		Weather	29

Soviet Union: Kremlin dusts off the Asia file	2
Haiti: Duvalier's grip starts to weaken	4
Britain: OECD sees bleak prospects for jobs	8
Management: French software launch in US	12
Editorial comment: British economy; monopolies	18
UK trucks: why GM has its eye on Leyland	18
Politics Today: is Thatcher's revolution over?	19
Lombard: market-based trade union	19
Lex: Wall Street; Hambros; Westland; Rank	20
Hong Kong: world shipping crisis hits Wah Kwong	21

EUROPEAN NEWS

Mitterrand stakes position on foreign policy

BY DAVID HOUSEGO IN PARIS

THE FRENCH President, Mr Francois Mitterrand, has shown he intends to play an active role in foreign policy, whatever the shape of the government after the general election in March...

the right-wing opposition over two foreign affairs issues. The first is the privileged position which he claims for himself because of the "fact" that exists between the President and the "sovereign people" who elect him...

hostility. He says that he fears that it could produce what the US isolationist lobby and Soviet propagandists have failed to achieve—a separation of the US and European defence systems.

particular enthusiasm about the importance of Franco-German relations, saying that "France has no better, more solid partner in Europe."

weight given to rebuilding Europe, as complementary. But he is strongly nationalist in his defence of French culture and industry, saying that he had admonished French officials who have broken into English at international gatherings.

Commission hint over airline competition

By Paul Caverswright in Brussels

THE EUROPEAN Commission is prepared to use its own powers to secure liberalisation of the air transport industry if political moves and legal action fail to reach the same end.

Bonn thinks decline in trade surplus possible this year

BY RUPERT CORNWELL

WEST GERMANY'S massive trade surplus, which has long been singled out as an obstacle to better international economic equilibrium, could start to fall this year, from last year's record DM 75bn (£22bn).

Egyptian President Hosni Mubarak arrived in Bonn yesterday for two days of talks with West German leaders and appeared on the eve of his bid to draw the Europeans into the Middle East peace process, Reuter reports.

UK and France see eye to eye on major problems

BY ROBERT MAUTHNER, DIPLOMATIC CORRESPONDENT

BRITAIN AND France yesterday concluded that there was "no close similarity of views" between them on most of the major world problems, including in particular the future of the European Community, East-West relations and disarmament.

Roland Dumas, his French opposite number. The new warmth in the often chilly relations between the two countries was confirmed by Mr Dumas, who said there had been a steady improvement in the bilateral atmosphere since the EEC's Fontainebleau summit of June, 1984, at which a solution was found to the problem of the Community's contribution to the Community budget.

Geoffrey and Mr Dumas yesterday particularly underlined the importance they attached to the outcome of last December's Luxembourg conference on Community reform. The fact that the Foreign Office made a point of issuing a statement on the subject is an indication of the British and French Government's desire to see Denmark accept the reform package, which was rejected by the Danish Parliament and which will be submitted to a referendum.

The two ministers also noted that their views were very close on disarmament questions, including the latest proposals by Mr Mikhail Gorbachev, on which they would continue to consult each other regularly.

strong reservations about his proposal that they should not build up an adequate nuclear force during the first phase of the Soviet disarmament plan.

Get your News early in Köln. Sie erhalten die Financial Times im Abonnement durch Boten zugestellt. Näheres erfahren Sie von Financial Times, Europe Ltd. Guilletstraße 54, 6000 Frankfurt/Main 1. Telefon 069/7598-0. Telex 416193.

Warsaw Pact welcomes Nato troop cut offer

BY PATRICK BLUM IN VIENNA

THE WARSAW Pact yesterday gave a glowing welcome to the offer tabled by Nato before Christmas at the Vienna talks on reducing conventional forces in Europe.

Diplomats on both sides have displayed optimism about the prospects for overcoming the disagreement which has stalled the talks for almost 15 years.

commitment not to increase troop levels during the following three years. More negotiations would follow to decide further reductions.

without an adequate exchange of information. There could be no assurance that troops were not being returned into the reduction area.

Special Subscription Delivery Service of the Financial Times in MILAN. For further information contact: Intercontinental S.r.l. Milan. Tel. (02) 688 7041. Telex 330467.

Madrid aliens law angers Melilla

BY TOM BURNS IN MADRID

POLITICAL tension was reported yesterday in the isolated Spanish garrison town of Melilla, on Morocco's North African coast, as Moslem shopkeepers maintained a general strike for a second day in protest at the proposed implementation of a new aliens law by the Madrid Government.

5.6 square mile municipality. Like Ceuta, Spain's other North African enclave which is situated across the Straits of Gibraltar, Melilla is claimed by Morocco and is a regular subject of debate among Arab politicians.

lowed unprecedented demonstrations earlier in the week over the legislation. In one incident several hundred women were beaten-charged by Spanish riot police who also fired rubber bullets and tear gas.

koslems in Melilla, many of whom were born in the enclave or have lived there for years, say they are being denied Spanish nationality which they claim is theirs and are being classified wrongly as aliens.

Moscow sees the possibility of economic partnerships without too many political strings, writes Alain Cass, Asia Editor

Kremlin blows the dust off its Asia file

SOME TIME after coming to power last year, Mr Mikhail Gorbachev, the Soviet leader, seems to have taken a long hard look at his country's relations with Asia. It was not a pretty sight.

Union the chance of economic partnerships without too many political strings. It is a partnership Mr Gorbachev badly needs as he seeks to modernise the Soviet economy.

at the very least, neutrality is vital to Mr Gorbachev's more vigorous foreign policy.

leave the Soviet Union's Pacific fleet dangerously exposed to US military might.

North Korea on his way home from Tokyo went largely unnoticed but there is little doubt that the Kremlin attach immense importance to its improving ties with Kim Il-sung's regime.



Soviet Foreign Minister Eduard Shevardnadze with his wife (right) shakes hands during his recent tour of Japan with the wife of his Japanese counterpart, Mr. Goshima Abe (centre).

Years of neglect and inflexibility had left their mark. Little had been done to counter the adverse effects of the Soviet Union's military build-up in the region or the invasion of Afghanistan.

There are good relations with India and Japan in particular, remain among the most vigorous economic regions in the world. They offer the Soviet

radical change in approach from the days when Mr Andrei Gromyko was Soviet Foreign Minister and refused to visit Japan because he would not discuss the issue of the four islands off Hokkaido which the Soviets occupied in 1945 and which the Japanese want back.

A five year Soviet-Chinese trade agreement was signed late last year and both sides agreed to elevate exchanges this year to visits by their respective foreign ministers.

Earlier this month Mr Kapitsa told a press conference in Moscow that "Vietnamese troops could withdraw from Kampuchea by next year."

between Mr Gorbachev and President Ronald Reagan of the US and subsequent hints dropped at the regular talks between Afghanistan and Pakistan suggest that the Kremlin may be looking for a political way out of the Afghan morass.

Get your News early in Frankfurt. Sie erhalten die Financial Times im Abonnement durch Boten zugestellt. Näheres erfahren Sie von Financial Times, Europe Ltd. Guilletstraße 54, 6000 Frankfurt/Main 1. Tel. 069/7598-0, Telex 416193.

Lack of secondary recovery equipment blamed for oil decline

A KEY reason for the drop in Soviet oil output last year is the failure to produce enough machinery for secondary recovery to enhance oil field production, according to the Communist party daily newspaper, Pravda, writes Patrick Cockburn in Moscow.

Pravda says that 20m tons of output was lost because the Ministry for Chemical Machinery failed to install equipment for secondary recovery in 10 out of 11 sites where it was to be put into operation.

1982. The result is a low technical level and absence of infrastructure. More than 85 per cent of Soviet oil is produced with the aid of water flooding, whereby pressure in an oil field is increased by water injection. This has the disadvantage of meaning more water than oil is pumped to the surface.

produced from its oilfields from its current level of about 40 per cent of reserves in most fields. Pravda says that gas lift—the injection of gas down the oil well to make it easier for the crude oil to flow to the surface—is in common use in the US, but is only at the experimental stage in the Soviet Union.

all western Siberia will receive capital investments of Roubles 52bn (£75bn) in the next five years, much of it on exploration drilling at deep levels and the introduction of better secondary recovery equipment to the oilfields.

Earlier in the week, Western European traders said that the Soviet Union had stopped selling oil because of a disagreement on prices. Nevertheless, equipment for the oil industry is likely to be a priority in Soviet imports in a bid to maintain output while the program to substitute gas for oil at the power stations and to construct more nuclear power stations is speeded up.

FINANCIAL TIMES Published by The Financial Times (Europe) Ltd., Frankfurt Beach, represented by E. Hugo, Frankfurt/Main, and by members of the Board: R. G. Brown, R. F. McClean, G. S. Myers, M. C. Gorman, D. P. Palmer, London. Printed by Frankfurt-Sozial-Druckerei-GmbH, Frankfurt/Main. Responsible editor: C. F. Smith, Frankfurt/Main. Gullietstrasse 24, 6000 Frankfurt am Main 1, G. The Financial Times Ltd, 1985. FINANCIAL TIMES, USPS No. 10069, published only except Sundays and holidays. U.S. subscription rates \$395.00 per annum. Second class postage paid at New York, N.Y. and at additional mailing offices. POSTMASTER: send address changes to FINANCIAL TIMES, 14 East 60th Street, New York, N.Y. 10022.

OVERSEAS NEWS

Marcos promises a peaceful transition if he is beaten

BY CHRIS SHERWELL AND SAMUEL SENOREN IN MANILA

PRESIDENT Ferdinand Marcos, apparently changing tack in his campaign for a record fourth mandate as Philippines president, yesterday promised a new system of government if he won next week's election and a peaceful transition of power if he lost.

With eight days to polling day on February 7, the 68-year-old leader told an audience of businessmen and civic leaders in Manila that the role of the prime minister and parliament, and of his own presidential decrees - making power, had to be redefined.

At the same time he pledged to work for a peaceful transition if he lost to his challenger, Mrs Corason Aquino. Previously he has warned that a victory by her would be rejected by the military and bring violence.

In another tactical move, he also acceded to pressures to fill two vacancies in the nine-seat Commission on Elections (Comelec), which his critics allege is overwhelmingly biased in his favour. One of the two was proposed by the National Citizens Movement for Free Elections (NAMFREL), an independent watchdog group. Yesterday NAMFREL and Comelec ended a protracted and

President Reagan yesterday said he would ask Congress for increased aid for the Philippines to assist the fight against what he called efforts at a totalitarian takeover. Reuter reports from Washington. A spokesman added that Mr Reagan "believes this is an important time for Americans to respond to a friend and ally at this critical juncture in its history."

bitter dispute by agreeing on the terms of a joint "quick count" of votes after the polls close. NAMFREL backed down from plans to conduct its own count with or without Comelec's approval. Comelec had threatened to withdraw its recognition of NAMFREL.

Mrs Aquino, 55-year-old widow of assassinated opposition leader Mr Benigno Aquino, meanwhile, carried her fight to the two islands of Mindoro and Palawan. Over the weekend she will continue her campaign in various parts of the main island of Luzon.

In his sometimes rambling speech yesterday, Mr Marcos persisted in his relentless attack on Mrs Aquino's background and inexperience.

Nine countries meet on S. African trade ties

BY STEPHANIE GRAY

MINISTERS FROM nine southern African states started a two-day meeting in Harare yesterday to review attempts to disengage their economies from dependence on South Africa.

Members of the Southern African Development Co-ordination Conference (SADCC) will evaluate the organisation's achievements since its inception five years ago. They will also try to design its future against a background of increasing instability in South Africa—the economy they are pledged to dislodge but on which each of them relies.

Mr Robert Mugabe, the Zimbabwe Prime Minister, speaking at the opening of the conference, accused South Africa of destabilising neighbouring countries and called for international sanctions against

Pretoria to force the pace of racial reform.

Mr Mugabe told nearly 500 delegates from SADCC states and more than 40 donor countries that most of the organisation's members—Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, Zambia and Zimbabwe—had felt the force of South Africa's "naked aggression."

Of the nine, Angola and Mozambique have suffered most war damage and the highest military costs, despite Maputo having signed a peace agreement with Pretoria trading the expulsion of members of the banned African National Congress for unhindered supply routes to revive a threadbare economy.

Savimbi meets Reagan; Page 4

Pretoria sees net immigration in decline

SOUTH AFRICA'S skilled population is increasingly voting with its feet according to official figures for the first ten months of last year, Jim Jones writes from Johannesburg.

Net immigration declined by two-thirds to 6,134 from 18,098 in the corresponding period of 1984. The number of immigrants fell by almost two-fifths to 15,414 from 24,844, while emigration rose in the same proportion to 9,280 from 6,908.

The South African Government yesterday hastily withdrew a ban on the display of political slogans in the Cape Town area aimed at preventing demonstrations during the opening of parliament today, Reuter reports.

Louis Le Grange, Law and Order Minister, overruled the local police chief at a meeting this morning, informed sources said.

Little progress at Amman talks

Five days of talks on the Middle East peace process between King Hussein of Jordan and Mr Yasser Arafat, chairman of the Palestine Liberation Organisation, appear to have made little progress, Our Middle East Staff writes.

King Hussein wants the PLO to recognise Israel but Mr Arafat is insisting that in return the US must accept the right of the Palestinians to self-determination. A Jordan newspaper said Mr Arafat had turned down a US compromise whereby non-PLO representatives would attend the initial stages of negotiations. Mr Shimon Peres, Israel's Prime Minister, said he was still hopeful.

Lebanon fears return of heavy fighting

The threat of heavy fighting between Christian and Moslem militias in Lebanon intensified yesterday, our Middle East Staff reports. The residences of President Gemayel came under artillery fire in reaction to the Christian refusal to endorse the Syrian-sponsored peace agreement between the country's rival factions. The main Moslem leaders have called for Mr Gemayel's resignation. West Beirut was shelled by Christian gunners and the fighting "provoked" a further sharp fall in the Lebanese pound against the dollar.

EVIDENCE MOUNTS OF MASSACRE OF PRESIDENT'S OPPONENTS

South Yemen death toll put at over 10,000

MORE THAN 12,000 people are said to have died in the bloody combat that swept South Yemen's president from power and plunged the country into chaos.

There are widespread reports of massacres of opponents of ousted President Ali Nasser Mohammed whose attempted pre-emptive strikes against rival factions in the Socialist Party of South Yemen failed after more than a week of fierce combat.

A government official estimated that between 12,000-13,000 died in the fighting that left parts of Aden devastated. Residents say bodies were piled in the streets and in shattered buildings subjected to rocket, artillery and tank fire.

It was driven through Tawahl, Maalia, Khormakkar and Crater, the main commercial and residential districts, and saw abundant evidence of fierce street-to-street, house-to-house fighting.

Hundreds, if not thousands of buildings were damaged, many of them virtually destroyed. The scale of destruction in this town of 230,000 is immense. The combatants appeared prepared to harness all firepower at their disposal in a fight to the death.

A Lebanese bartender, previously employed at the Com-

Tony Walker reports from Aden on the state of the war-torn country

modore Hotel in Beirut and now running a restaurant in Aden, said the fighting in the first two days was the worst he had experienced. "In fact, we call it another Beirut," said a government-supplied guide who works for the local October 14 official newspaper.

The charred and twisted wrecks of military vehicles, including tanks and armoured personnel carriers, are being cleared from the streets littered with debris from the fighting. Thousands of cars were damaged in the conflict. The streets of Tawahl and Khormakkar are lined in places with burned out vehicles caught in vicious crossfire.

A massive clean-up operation is in progress. Sand is being spread on the streets to soak up oil from a burst fuel pipe. Bodies were removed to mass graves when some semblance of order was restored late last week. The new interim government is claiming that part of

President Ali Nasser

Mohammed's strategy for crushing his opponents was to engage in systematic massacres of members of a rival faction in this pro-Soviet state.

At the town of Gaar in Abyan province, east of Aden, I interviewed a party official who said he was one of the few survivors of a massacre on January 18 in the local jail.

Mr Saleb Saeed, 37, said he was among about 150 people rounded up on January 13 and thrown into prison. These prisoners were either held in an underground chamber, small 3 ft by 6 ft cells or in larger rooms. He said that in the early hours of January 18, guards machine gunned to death the inmates, including more than 50 people in the cell in which he was held. He survived, he said, because he hid under a pile of corpses. "I was terrified, completely terrified," he said.

There is evidence of wild shooting in the cell blocks at Gaar jail. Bars on the windows and doors twisted and bullet scarred. Mr Saeed said guards returned later that morning to remove the corpses and cover up the evidence. He had escaped in the meantime.

Mr Saeed said fresh concrete had been plastered on the walls and floors to obscure marks

caused by ricocheting bullets. A heavy smell of DDT hangs over the primitive jail which stands at the foot of Khanfar Hill on which President Mohammed was building a large rest house and where he spent several hours on Monday January 15, the day he launched his attack.

Local officials claimed victims of the massacre at Gaar jail were buried in a mass grave next to the jail. An area of about 40 ft by 120 ft alongside the jail compound has been freshly ploughed.

Nasser Hussein, a 12-year-old boy whose house is nearby, said he heard shooting at the jail in the early hours of January 18. In daylight at around 8 am that day he had witnessed some bodies being taken away in trucks and others being buried naked in the mass grave next to the jail.

Mr Ali Ahmed al-Arli, director of the Khanfar Guest House, said that President Mohammed had arrived at about 10.30 am on January 13 in a convoy of three Toyota Landcruisers. He was accompanied by three Politburo members and a number of officials of the Central Committee of the South Yemeni Socialist Party.

Mr al-Arli said the South Yemeni were highly agitated, made frequent phone calls and appeared alarmed by the course of events in Aden. The Politburo meeting at which President Mohammed is alleged to have arranged a "gangland-style" execution of his opponents began around 10 am.

The killing of Ali Antar, South Yemen's vice president, along with two other Politburo members, sparked the fierce conflict that brought South Yemen to the brink of civil war. Unlear at this stage is the whereabouts and condition of Mr Abdul Fattah Ismail, a hard-line ideologue and Politburo member, who is believed to have been wounded in the wild shooting that broke out at the Politburo meeting.

Abyan province, whose governor, Mr Mohammed Ali Ahmed appears to have been one of the instigators of the pre-emptive coup, is the former president's homebase. President Mohammed is thought to have fled across the border into North Yemen from the town of Lower in Abyan.

A large rally was held on Wednesday in Lower, about 100 miles north east of Aden, in support of the new interim government. Crowds shouted anti-Ali Nasser Mohammed slogans and proclaimed their support for the new regime.

Tan faces nine more charges

BY STEVEN B. BUTLER IN SINGAPORE

THE SINGAPORE Government yesterday broadened its case against Mr Tan Koon Swan, the Malaysian Chinese businessman and political leader, adding nine new criminal charges relating to dishonest securities transactions, fraud, and illegal use of over S\$20m (£6.8m) of funds belonging to Pan-Electric Industries, Growth Industrial Holdings and their subsidiaries.

Mr Tan, appearing in court, pleaded not guilty to all 15 counts against him, some of which carry maximum penalties of life imprisonment if proved. The magistrate in Singapore's subordinate court added S\$20m to the S\$20m bail set last week, and ordered Mr Tan's passports impounded. A trial is now set to begin on May 5.

The trial has placed a question mark over Mr Tan's future as head of Malaysia's largest Chinese political party despite the Malaysian Chinese Association's refusal last weekend to accept a letter of resignation from Mr Tan. It has

been suggested that this may be a face-saving gesture and that Mr Tan's resignation may become unavoidable.

Hundreds of Mr Tan's supporters in the MCA, crowded into the court house in a show of support. Security was tight, although there were no incidents.

Mr Tan's bail was provided by Mr Robert Kwok, a prominent Chinese businessman with whom Mr Tan was not known

to have close business or political ties.

The charges, if proved, will shed new light on the sequence of events that led to Pan-Electric being put into receivership at the end of November with S\$400m in debt. The Singapore and Kuala Lumpur stock exchanges were closed for three days in early December when Pan-Electric's inability to honour forward share contracts threatened to lead to defaults by local brokers.

Mr Tan indirectly holds a 22 per cent share in Pan-Electric. Four of the new charges allege that Mr Tan, in collaboration with Mr Tan Kok Liang (no relation) committed fraud by attempting artificially to raise the price of securities of Grand United Holdings, Supreme Corporation, Ambassador Hotel, and Growth Industrial Holdings in order to facilitate financing for each company.

Mr Tan Kok Liang is a director of Pan-Electric

Singapore 'must adapt' or suffer economic decline

BY COLINA MACDOUGALL

SINGAPORE'S economy is in grave trouble and must chart a new path for development in the 1990s, according to Brig Gen Lee Hsien Loong, chairman of the city-state's key Economic Committee. He told a conference in London yesterday: "The recession of 1985 is a turning point. Unless we can move ahead, we shall be overtaken and cast aside."

Gen Lee, son of Premier Lee Kuan Yew, stressed that growth would become steadily more difficult with international trade no longer expanding, and an increasingly hostile trade environment. Internally the collapse of the construction boom and high wage costs has meant that the city state must find a new way forward.

His gloomy predictions were underlined by another senior government official speaking on Tuesday in Singapore: "We are in a recession," said first deputy prime minister Goh Chok Tong.

"To get out of it we have to take some painful decisions."

Singapore's economy showed an estimated 1.7 per cent contraction in 1985, and is expected to show zero growth this year. "From now on, additional increments of growth will be more and more difficult to achieve," Gen Lee said.

Singapore must tighten its belt, Gen Lee indicated, accepting a lower standard of living and working harder. To attract foreign investment, it must offer more than the developed countries. Singaporeans would have to "work a 44 hour week, do third shift duties, keep plants open 24 hours a day, accept hardship tours," Gen Lee declared.

Singapore must aim at a higher standard of education, lower costs, and improving infrastructure, and greater flexibility to persuade the multi-nationals to invest



Please sit tight.

Your Board will shortly be in touch with you to give its considered advice on the Consortium's tender.

If you accept the tender, you may

frustrate the Board's plan to rescue Westland. The tender has to remain open until February 8th. You can afford to wait.

WESTLAND

AMERICAN NEWS

IMF may declare Peru ineligible for aid

BY DORREN GELLESPIE IN LIMA

PERU'S tense relations with the international financial community over its non-payment of obligations on its \$1.6bn (£100m) foreign debt are coming to a head. The Government of President Alan Garcia has been informed that the International Monetary Fund is considering declaring the country ineligible for further financial assistance.

The IMF's board of directors is not expected to make a decision until after a mission has visited Peru next month. The Garcia Government, in agreeing to the mission, is insisting that this is no more than routine consent to the annual IMF inspection. But such annual visits normally take place in August or September. Thus it appears the Government is attempting to head off any domestic criticism for seeming to bow to IMF pressure.

Call for Caracas Energy Minister to quit

BY JOE MANN IN CARACAS

THE Social Christian Copei Party, the main opposition force in Venezuela, yesterday called for the resignation of Mr Arturo Hernandez Cisneros, Minister of Energy and Mines, for what they called "clumsy" handling of the nation's petroleum policy.

Government's new policy of expanding the overseas investments of its national oil company, PDVSA, through investments in oil companies in other countries. Only last week the Lusinchi Administration announced it would invest around \$80m (£44m) in three foreign oil companies in order to secure overseas markets for its crude and refined products.

Reagan backs Savimbi's 'dream'

By Reginald Dale, US Editor in Washington

PRESIDENT Ronald Reagan yesterday lent his full support to the cause of Dr Jonas Savimbi, leader of the Unita rebels fighting the Marxist Government of Angola. The US wanted to be "very helpful" to Dr Savimbi, Mr Reagan said when the two men met at the White House.

Duvalier's grip weakens as army stands by

BY CARUTE JAMES IN KINGSTON



President Duvalier of Haiti: shaky dictatorship

ARMY commanders in Haiti have instructed troops not to shoot people taking part in a current wave of anti-government protests and riots except in cases of self-defence, diplomats in Port au Prince, the capital, said yesterday.

The geographical spread of the protests over the last two months suggests that anti-government sentiment is widespread in the country. Besides Gonaives and Cap-Haïtien, Haitians in other towns in the north and in the southern peninsula and Port au Prince, have taken to the streets demanding the President's resignation.

Managua accuses US of threat and blackmail

BY TIM COONE IN MANAGUA

THE PUBLIC meeting last Monday of Mr George Shultz, US Secretary of State, with the three leaders of the Nicaraguan counter-revolutionary guerrilla movement has provoked a sharp reaction from Managua.

Honduran armed forces chief says he will quit

BY ROBERT GRAHAM, LATIN AMERICA EDITOR, IN LONDON

GEN Walter Lopez Reyes, chief of the Honduran armed forces and one of the most powerful figures in the country, announced yesterday that he intended to resign. The announcement, made in a radio broadcast, came only three days after Honduras' new civilian President, Mr Jose Azcona Hoyo, assumed office.

While Mr Reagan said that the US was "seeking a way to be of help" to Dr Savimbi, officials in Angola, who are given details of how that could be achieved. They repeated, however, that the Administration continued to oppose overt aid to Unita, as favoured by some members of Congress.

The senior official yesterday repeated the Administration's hope that Congress will approve a resolution of general support for Dr Savimbi, who is being hunted as an anti-Communist hero by American conservatives. Patrick Cockburn adds from Moscow: The Soviet Union yesterday heavily underlined its support for Angola with the announcement of Mr Edward Shevarnadze, the Soviet Foreign Minister, and the two most senior Soviet generals, at consultations between the Soviet Union, Angola and Cuba in Moscow.

WORLD TRADE NEWS

France-Japan consortium leads fight for India pipeline order

BY JOHN ELLIOTT IN NEW DELHI

A CONSORTIUM of French and Japanese companies is believed to have emerged as the front-runner for a \$600m gas pipeline contract in India. The consortium is led by Spie-Cabag of France in partnership with NKK and Toyo Engineering of Japan and includes Ingersoll Rand of the UK as a possible supplier of turbines.

Japanese vehicle exports at new peak

JAPAN exported a record 6.73m cars, trucks and buses in 1985, up 10.2 per cent from the previous record of 6.15m set in 1984. The Japan Automobile Manufacturers Association (Jama) said yesterday, AP reports from Tokyo.

NEW SOVIET FIVE-YEAR PLAN UK seeks to clarify opportunities

BY DAVID BUCHAN

THE BRITISH Government is next week to press a Soviet trade minister for clarification on business opportunities in the new Soviet five-year plan, to try to reverse last year's sharp £200m decline in UK sales to the Soviet Union.

Table: UK TRADE WITH THE SOVIET BLOC (£m) Imports Exports 1984 1985 1984 1985

Company Notices

Table: NOTICE OF REDEMPTION EUROPEAN COAL AND STEEL COMMUNITY (E.C.S.C.) 6 1/2% 20 Year Bonds of 1967 due 1st March, 1987

Lilley contracts

F. J. C. Lilley, a Glasgow-based construction and civil engineering group, has won contracts worth a total of £52m for projects in the UK, Hong Kong and the US, Reuter reports.

Sabic signs polystyrene pacts

BY FINN BARRE IN NYADH

SAUDI BASIC Industries Corp (Sabic) has signed licensing agreements with a French company and a US group for polystyrene production processes, it said yesterday.

Japan to boost Mexican crude liftings

Mexico and its Japanese crude oil customers have signed an agreement calling for a 12.5 per cent increase in Japan's crude purchases from Mexico in 1986, AP-DJ reports from Tokyo.

Taipei approves energy projects

BY BOB KING IN TAIPEI

TAIWAN HAS approved two infrastructural projects that offer foreign suppliers of various equipment and services more than \$700m (£500m) in potential sales.

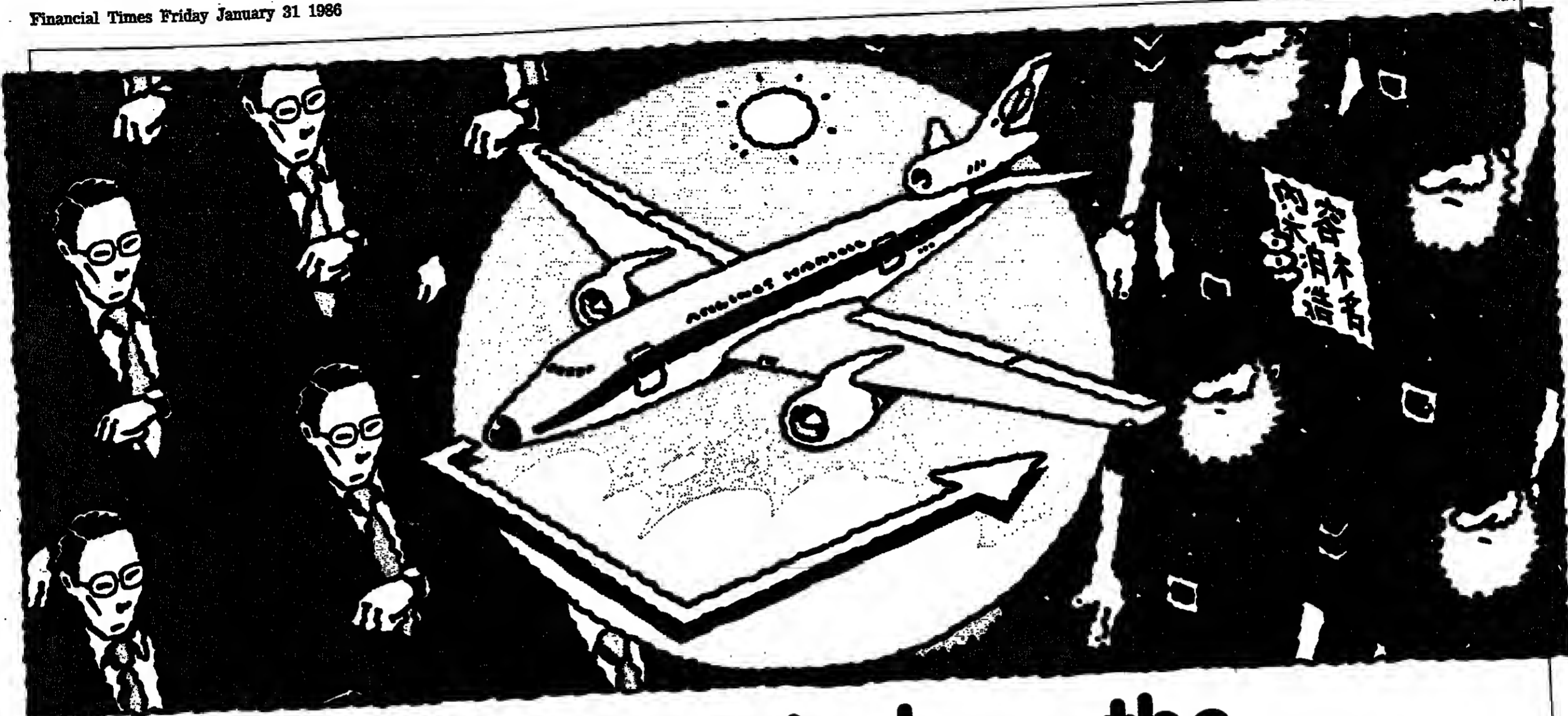
Steel-wire ruling

The US Commerce Department has ruled that Saudi Arabia has been subsidising its exports of steel-wire rods to the US market, AP-DJ reports from Washington. The Commerce Department's ruling means that penalty duties of 5.48 per cent will be assessed on the imports, which totalled about \$8.5m (£4.5m) from Saudi Arabia in the first 10 months of last year.

Arab boycott

The decision by the UK Foreign Office to cease authenticating signatures on trade documents required by certain Arab countries will not protect companies from boycott procedures. The word "not" was accidentally dropped on yesterday's report.

Handwritten note in Arabic: حكام الامم



A feasibility study on the development of your next major expansion project is due for presentation in Tokyo in the next hour.

Unfortunately, the courier's plane has been hijacked.

And the report is now in Cuba. What do you do?

Open the box.

See page 23 of BTI's Business Box. It can revolutionise your communications abroad. Only British Telecom International offer a complete range of international network services. So no one is better placed to help you make the most of the services you're already using. And talk to you about the ones you're not. Don't get left behind. Complete this coupon today. Before your rivals do.

Apply by posting this coupon to: BTI Business Box, Freepost BS 3333, BS1 4YP or by phone (free of charge) on 0800-400-414.

Name & Position: _____
 Company Name & Address: _____
 Postcode: _____ Business Tel No. _____
 Does your business communicate internationally: Yes No Nature of business: _____



BRITISH TELECOM INTERNATIONAL · WE'LL PUT YOU ON THE RIGHT LINES.

TUC in move to suspend union

By John Lloyd and Helen Hague THE GENERAL council of the Trades Union Congress (TUC) yesterday took its penultimate step in the process of suspending the electricians' union, the IEEPU, from the TUC over the union's alleged behaviour at News International's new printing plants.

The council drew up a list of charges against the electricians - whose representatives declined to attend - which underpins the allegations that the union may have acted in a way detrimental to the interests of the union movement and to the policies and principles of the TUC.

The seven charges claim that the IEEPU has refused to co-operate with the print unions in getting agreements at the new plants at Wapping, east London, and at Glasgow, and that it has replaced the print unions in producing the titles of Mr Rupert Murdoch's News International.

The charges also claim that the IEEPU has recruited members for the plants in breach of assurances that it would not and that it is operating an "arrangement or agreement" with NI at Wapping covering its employees.

It became clear last night that the instruction not to cross picket lines given on Wednesday by Mr Ron Todd, general secretary of the Transport and General Workers Union, to his members at the TNT transport and General Workers Union, to his members at the TNT transport company, which is distributing NI's titles, was being disobeyed.

Drivers contacted at four TNT depots were all continuing to make runs to and from Wapping. TGWU officials from the company meet Mr Todd again today in an effort to tighten discipline over the drivers.

Production of the Times supplements - part of NI - was prevented by printworkers' action at the Northampton Mercury on Wednesday

Britvic set to merge with Canada Dry

BY LISA WOOD

A FURTHER shake-up in the troubled UK soft drinks industry is imminent. An announcement is expected soon that Canada Dry Rawlings, the Whitbread and Bass-owned manufacturer of fizzy drinks is to merge with Britvic, the mixer and fruit juice subsidiary of Allied Lyons.

It is understood that Bass would have a controlling interest in the new company which would have assets of at least £35m. Britvic would contribute more than £25m of this figure and Canada Dry Rawlings would contribute more than £40m.

Allied Lyons said yesterday that discussions were taking place. "Nothing has yet been finalised." The move, which is under consideration by the Office of Fair Trading, aims to create a more aggressive force in the UK soft drinks industry, which is undergoing major rationalisation.

Most recently Cadbury Schweppes and Coca Cola announced plans to set up a joint company in the UK. A joint company would give the two major players in the UK market 24 per cent of the market.

Peppi Cola, which is being handled in the UK by Schweppes, until the existing contract runs out, is re-

Hambro Trust to sell bank holding

By Michael Cassell

HAMBRO TRUST last night revealed that it intends to sell its shareholding in Hambro, one of the UK's oldest merchant banks.

The trust holds 49.9 per cent of the voting shares in Hambro and represents Hambro family interests, including those of Mr Rupert Hambro, a deputy chairman of Hambro plc and non-executive chairman of Hambro Bank, a 100 per cent-owned merchant banking subsidiary.

He is expected to relinquish his directorships with Hambro when the sale is complete. Mr Hambro last night denied that the decision followed a difference of opinion over the future development policy of Hambro, which has become increasingly committed to the consumer banking business.

In November it agreed a £7m takeover of Bristow Eves, the estate agency. He said: "We support Hambro and its policies, and the Trust will be voting in favour of the Bristow acquisition. Hambro has come through difficult times and is now in very good shape. My two brothers and I, however, feel we have all our eggs in one basket and feel the time has come to go off and do other things with Hambro Trust."

Mr Charles Hambro, chairman of Hambro plc and second cousin to Mr Rupert Hambro, also holds about 25 per cent of Hambro Trust. He said he regretted the split: "It is difficult when any family decides to go in different ways, but the parting is on the best of terms. Our first preference remains mainstream merchant banking, with a big emphasis on investment."

Mr Charles Hambro emphasised that Hambro had sufficient capital for all its present requirements, including the purchase of Bristow Eves.

Westland's inflated share market

Lionel Barber looks at the inquiry into hectic trading

THE LONDON Stock Exchange inquiry into all aspects of the hectic trading in Westland shares over the past three weeks has created a new dimension to an already controversial affair.

The resignation of two Cabinet ministers - Mr Michael Heseltine and Mr Leon Brittan - has meant that public attention has focused on the political aspects of the Westland affair, to the exclusion of what some regard as unacceptable activities surrounding the purchase of Westland shares.

Over the past three weeks, a number of buyers supporting either the European aerospace consortium or the rival Sikorsky/Fiat resellers, purchased shares at up to 40 per cent and 50 per cent above the market. Rowe & Pitman dealt on behalf of Sikorsky, offering last week, for example, 15p for two institutional share blocks amounting to 0.7 per cent of Westland. Rowe & Pitman also acted for Hanscom Trust, which emerged with nearly 15 per cent of Westland 24 hours before the first extraordinary general meeting.

Rowe & Pitman argue that these prices were triggered by the entry of Mr Brittan. He was the first party to offer big premiums to institutions, many of which had bought Westland shares at prices of around 150p last year when Mr Brittan launched, and then abruptly dropped, an £28m City of London consortium bid.

Mr Brittan has countered publicly by saying that his intervention was solely intended at forcing the Westland board to put the rival European consortium offer to a shareholder vote, which it has refused to do.

Most of the buying has been aimed at flushing out institutional sellers, largely to the exclusion of the small shareholders. There is nothing technically wrong with this, though some institutions, notably M&F, the unit trust group, have voiced their disquiet publicly.

Nor is there anything necessarily wrong with the "special deals" in which buyers and sellers of large lines of stock have been matched and bargains agreed by brokers at special prices.

These bargains have been technically "put through" the market, by channelling them through a jobber who takes a nominal turn on the deal and takes them through his book, thus exposing the transaction and its price to the market.

The double crossed by recent examples of "put-through" dealing in Westland are concerned with the large proportion of the equity which has been bought over in this way - without influencing the general market price.

There are several other areas of concern both to the stock exchange and to the Takeover Panel, which has kept a close watch on events. Concert parties: after continuous investigation the panel has found that Hanson Trust is not acting in concert with Sikorsky/Fiat and that Mr Brittan, now holding 17 per cent of Westland, has not been acting in concert with the Europeans.

Institutional buying and selling: a handful of institutions has played the market in recent weeks, selling small blocks of shares to Mr Brittan, returning to the market when the price dropped, before finally selling out at a premium. Though there is nothing technically wrong with this, there is a feeling at the stock exchange that these institutions could have done more to help Westland in its capital reconstruction plan rather than pursuing their own narrow profit interests.

Put options: several institutions have secured an agreement with Sikorsky/Fiat that they can sell 4 per cent of their shares at prices between 130p to 131p. Lazard Brothers, advising Westland, and Sir John say they know nothing about this agreement, which is interpreted by observers close to the transactions as compensation for the fact that these institutions have resisted pressure from the Europeans to sell at premium prices. Small shareholders have, however, not been given this option.

Substantial acquisition rules: the Takeover Panel has watched the share buying very closely to see if these rules, which limit the amount of shares buyers can purchase over a given period, have been breached. The answer is no, so far.

throughout the affair, is the creation of a false market in Westland shares and the way in which share buying has been conducted.

The stock exchange now accepts that the false market is worthy of investigation since the premium prices offered bear little relation to the company's financial state or its prospects. Last month, Sir John Cockney, Westland's chairman, declaring a pre-tax loss of £35m for the year ending September 1985, said his company was "on the brink of receivership."

Yet over the next few weeks, Rowe & Pitman, Westland's brokers, acting on behalf of unnamed buyers, purchased shares at up to 40 per cent and 50 per cent above the market. Rowe & Pitman dealt on behalf of Sikorsky, offering last week, for example, 15p for two institutional share blocks amounting to 0.7 per cent of Westland. Rowe & Pitman also acted for Hanscom Trust, which emerged with nearly 15 per cent of Westland 24 hours before the first extraordinary general meeting.

Rowe & Pitman argue that these prices were triggered by the entry of Mr Brittan. He was the first party to offer big premiums to institutions, many of which had bought Westland shares at prices of around 150p last year when Mr Brittan launched, and then abruptly dropped, an £28m City of London consortium bid.

Mr Brittan has countered publicly by saying that his intervention was solely intended at forcing the Westland board to put the rival European consortium offer to a shareholder vote, which it has refused to do.

Most of the buying has been aimed at flushing out institutional sellers, largely to the exclusion of the small shareholders. There is nothing technically wrong with this, though some institutions, notably M&F, the unit trust group, have voiced their disquiet publicly.

Nor is there anything necessarily wrong with the "special deals" in which buyers and sellers of large lines of stock have been matched and bargains agreed by brokers at special prices.

These bargains have been technically "put through" the market, by channelling them through a jobber who takes a nominal turn on the deal and takes them through his book, thus exposing the transaction and its price to the market.

The double crossed by recent examples of "put-through" dealing in Westland are concerned with the large proportion of the equity which has been bought over in this way - without influencing the general market price.

There are several other areas of concern both to the stock exchange and to the Takeover Panel, which has kept a close watch on events. Concert parties: after continuous investigation the panel has found that Hanson Trust is not acting in concert with Sikorsky/Fiat and that Mr Brittan, now holding 17 per cent of Westland, has not been acting in concert with the Europeans.

Institutional buying and selling: a handful of institutions has played the market in recent weeks, selling small blocks of shares to Mr Brittan, returning to the market when the price dropped, before finally selling out at a premium. Though there is nothing technically wrong with this, there is a feeling at the stock exchange that these institutions could have done more to help Westland in its capital reconstruction plan rather than pursuing their own narrow profit interests.

Put options: several institutions have secured an agreement with Sikorsky/Fiat that they can sell 4 per cent of their shares at prices between 130p to 131p. Lazard Brothers, advising Westland, and Sir John say they know nothing about this agreement, which is interpreted by observers close to the transactions as compensation for the fact that these institutions have resisted pressure from the Europeans to sell at premium prices. Small shareholders have, however, not been given this option.

Substantial acquisition rules: the Takeover Panel has watched the share buying very closely to see if these rules, which limit the amount of shares buyers can purchase over a given period, have been breached. The answer is no, so far.

BMW to raise prices

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

BMW's UK import company is to put up car prices on February 10 for the second time in less than a month. It blames the move on the fall in the value of the pound against the D-Mark.

The increases, which average 1.9 per cent, follow the 1.6 per cent rise which took effect on January 14. The Lando subsidiary which imports Volkswagen-Audi models and is the major importer of cars from West Germany to Britain said it had no immediate plans to increase prices even though it had not raised them since a 3 per cent rise last September.

Daimler-Benz, the Mercedes group, said it intended to make price changes from April, but this was part of the normal process rather than currency realignment.

Lingering doubts that trouble Tories

Peter Riddell looks at the mood within the Tory Party

THE SMOKING BOOM is stirring. For all their public protestations of loyalty many Tory MPs remain unhappy about the implications of the Westland affair. They believe that, while the worst of the immediate row may be over, there will be continuing adverse impact on the Government and on Mrs Margaret Thatcher's own position.

There is no doubt that a number of senior ministers echoed the view of Mr Douglas Hurd, the Home Secretary, that Cabinet Government should be seen to be a reality. Ministers, including some normally committed in Mrs Thatcher's camp, want a change in her style.

Indeed, one of the few points on which many ministers sympathise with the former Defence Secretary Michael Heseltine's lone stand has been his protest about the absence of full collective discussion of the Westland affair and in particular the cancellation of the December 13 meeting.

They argue that, if the dispute could have been properly aired then Mr Heseltine would have had the chance to complain if he had still been in a small minority, and then collective responsibility could have been maintained.

These ministers argue that in future such major issues should not be resolved in small specially formed groups at Downing Street or in often angry last-minute conversations under Mrs Thatcher. Instead, they believe, such potentially divisive issues should be taken to the full Cabinet and argued out, with papers being circulated in advance.

However, it is doubtful whether such collective discussion will apply to financial issues since all Ministers of the Exchequer, and Mr Nigel Lawson in particular, are keen to guard their prerogatives.

Tory MPs have generally changed their attitudes towards Mrs Thatcher. Her grip has been seen to have faltered. Indeed, Mrs Thatcher has herself admitted the allegation that prime ministerial power was not sufficiently in evidence during parts of the affair.

Consequently, much of the previous mystique of her dominant and decisive leadership has gone. It has been replaced by doubts and uncertainties - though nothing more at present.

But Tory MPs from all wings of the party, and not just the disillusioned and dissenting, have been heard to wonder whether their party's prospects at the next election might not be better under a new leader. So far, this is only the talk of a few, but it is significant that the question is being raised.

Nine accused over BT applications

BY JOHN MOORE, CITY CORRESPONDENT

THE DIRECTOR of Public Prosecutions has issued summonses against nine businessmen for alleged offences after an investigation into their involvement in applications for shares in the £3.5bn British Telecom flotation of 1984.

A further summons is expected to be issued against a tenth person. Four stockbrokers, four company directors and a lawyer have been summoned with offences alleged to have been committed under the Criminal Attempts Act, the Theft Act and the Criminal Law Act.

The move follows an investigation by the Metropolitan and City Police Company Fraud Squad. The inquiries were carried out in accordance with the Fraud Investigation Group procedures controlled by the office of the Director of Public Prosecutions.

Investigations have been carried out since last May and were prompted by allegations that some investors submitted multiple applications for British Telecom shares. Individual shareholders were only entitled to 800 shares. Investigators were attempting to discover whether stockbrokers or lawyers had made multiple applications on their behalf or whether there was organised share buying or whether individuals were making multiple applications on their own account.

Those named in the summonses are: Mr Brian Taul, a lawyer; Mr Roy Alfred Corbin, a partner with stockbroker Heseltine Moss; Mr Denis Walter Williamson, Mr Paul Fogg and Mr Edward Hems, all employed by stockbroker Dunkley Marshall; and Mr Warwick Goodman, a company director.

Others summoned are Mr Stephen Stewart Conway, Mr Roy Emmanuel Conway and Mr Michael Anthony Collins, three company directors.

The summonses are returnable to London's Bow Street Magistrates' Court on March 11.

In the Government's campaign to encourage small shareholders to participate in the British Telecom flotation, potential investors were warned that they might be liable to prosecution if they submitted more than one application.

Royal Ordnance to shed 831 jobs

BY LYNTON MCLEAN

A TOTAL of 831 jobs are to go at Royal Ordnance ammunition factories at Birtley and Chorley in the north of England.

The job losses are much worse than had been expected last week and were described by Royal Ordnance yesterday as "significant".

The cuts come just five months before the Government hopes to privatise Royal Ordnance with a sale of shares, at a time when RO's order books are thinner than for several years.

Union representatives reacted angrily to the latest cuts. The Institution of Professional Civil Servants warned that, with poor order books, now was not the best time to achieve a good price for the company.

Mr Tom Burdison, the Trades Union Congress north chairman, said the losses at Birtley were a "shattering blow to the region."

M Garry Ferguson, a union convenor at the Birtley factory, said: "We are amazed by the size of the redundancy. Other Royal Ordnance establishments were notified of our redundancy before the local management had the courtesy to inform their workforce."

In an unusual move, management at the 14 other Royal Ordnance factories and research sites in the UK not affected by the latest job cuts told their employees about the cuts at Birtley and Chorley, "as part of an education of the other sites as well," RO said.

Mr Ferguson said the unions intended to fight the redundancies on the basis of a six-point plan which included a call for anticipated Ministry of Defence orders to be brought forward. "It is not our intention to fight local management but to co-operate with them to try to bring more work to Birtley."

Extension of Dockland railway challenged

BY ANDREW FISHER, TRANSPORT CORRESPONDENT

THE CITY of London Corporation has petitioned Parliament against the bill to extend the Docklands Light railway to the Bank of England.

The proposed extension is intended to serve developments in the Docklands, east London, by financial institutions which require more space for the coming City revolution.

The US promoters of the planned financial services centre at Canary Wharf see the extension as vital to their controversial £1.5bn project.

The City of London Corporation - the local authority for the City - argues that the railway would worsen already severe congestion at the busy underground station by the Bank of England.

It has proposed instead that a new station be built between Monument and Cannon Street underground stations, with a link to Bank. This would add some £5m to the cost of the proposed extension of the railway being built by London Regional Transport (LRT).

The petition, lodged yesterday, is aimed at gaining concessions from LRT over the privately financed extension, but the City's alternative would need a new parliamentary bill.

The cost of the Docklands Light Railway is £77m.

Royal Ordnance to shed 831 jobs

BY LYNTON MCLEAN

A TOTAL of 831 jobs are to go at Royal Ordnance ammunition factories at Birtley and Chorley in the north of England.

The job losses are much worse than had been expected last week and were described by Royal Ordnance yesterday as "significant".

The cuts come just five months before the Government hopes to privatise Royal Ordnance with a sale of shares, at a time when RO's order books are thinner than for several years.

Union representatives reacted angrily to the latest cuts. The Institution of Professional Civil Servants warned that, with poor order books, now was not the best time to achieve a good price for the company.

Mr Tom Burdison, the Trades Union Congress north chairman, said the losses at Birtley were a "shattering blow to the region."

M Garry Ferguson, a union convenor at the Birtley factory, said: "We are amazed by the size of the redundancy. Other Royal Ordnance establishments were notified of our redundancy before the local management had the courtesy to inform their workforce."

In an unusual move, management at the 14 other Royal Ordnance factories and research sites in the UK not affected by the latest job cuts told their employees about the cuts at Birtley and Chorley, "as part of an education of the other sites as well," RO said.

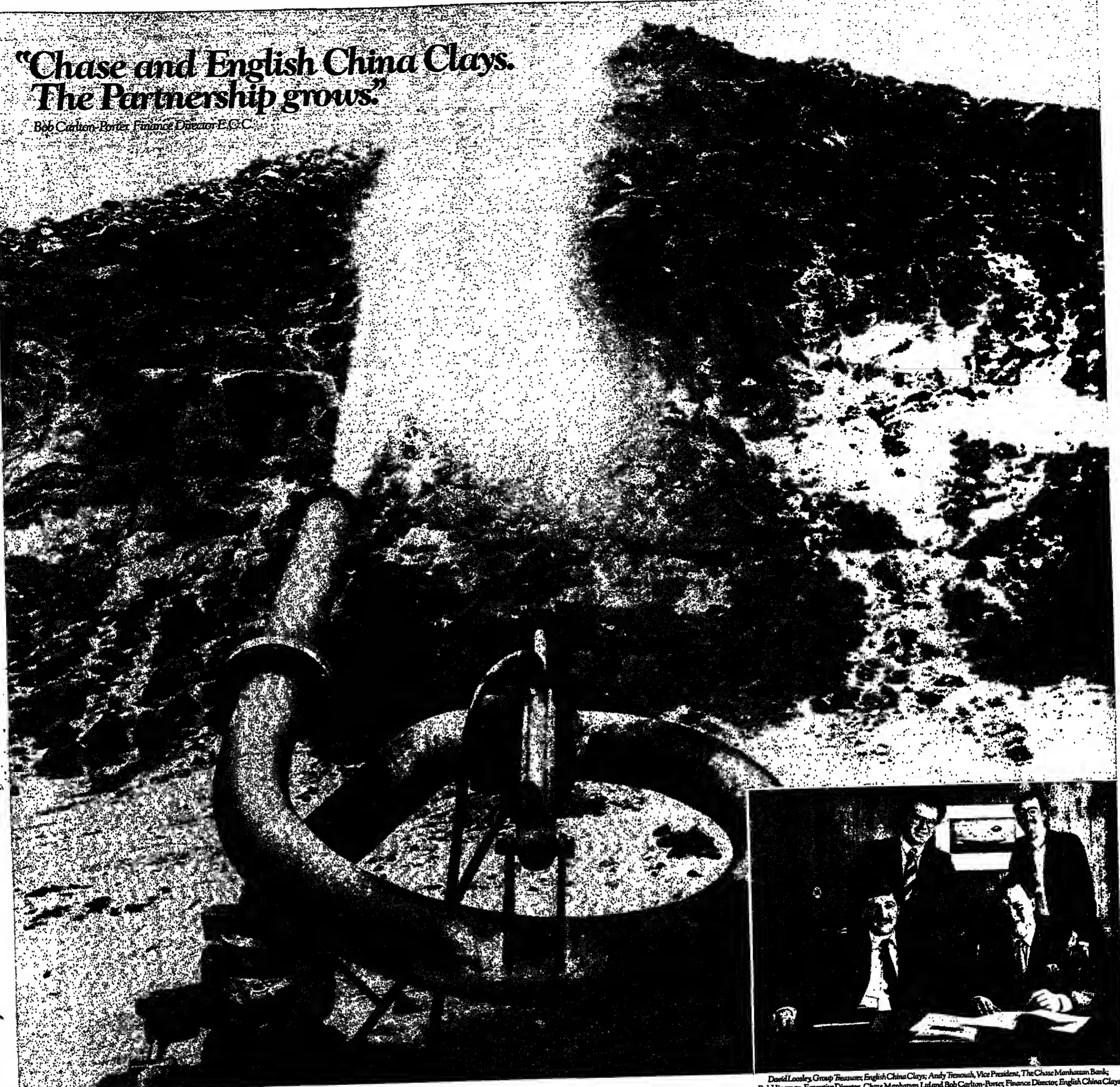
NOTICE OF REDEMPTION To the Holders of Nippon Telegraph & Telephone Corporation (Formerly Nippon Telegraph & Telephone Public Corporation) ("NTT") U.S. \$50,000,000 10% per cent. Guaranteed Notes 1990 (the "Notes") WHEREAS on January 31, 1986 NTT paid to the Fiscal Agent the sum of U.S. \$6,250,000 to be applied, in accordance with the Conditions of the Notes, towards the redemption of the Notes indicated below; and WHEREAS such funds are held by the Fiscal Agent upon trust to apply the same towards payment of the redemption price of the Notes indicated below. NOTICE IS HEREBY GIVEN, that the following Notes of NTT, in the aggregate principal amount of U.S. \$6,250,000 have been drawn for Mandatory Redemption as of January 31, 1986 pursuant to Condition (6)(b) of the Notes. SERIAL NUMBERS OF NOTES CALLED FOR REDEMPTION

U.S. \$400,000,000 The Kingdom of Belgium Floating Rate Notes Due February, 2000 In accordance with the provisions of the Notes, notice is hereby given that interest payable on 28th February, 1986 will amount to U.S.\$250,389.32 per U.S.\$250,000 Note. Interest rates applicable are as follows: 30th Aug. 1985 to 30th Sept. 1985 - 8 1/4% 30th Sept. 1985 to 31st Oct. 1985 - 8 1/2% 31st Oct. 1985 to 29th Nov. 1985 - 8 3/4% 29th Nov. 1985 to 31st Dec. 1985 - 8 1/2% 31st Dec. 1985 to 31st Jan. 1986 - 8 1/4% 31st Jan. 1986 to 28th Feb. 1986 - 8 1/2% Agent Bank: Morgan Guaranty Trust Company of New York London

Handwritten Arabic text: كذا من العمل

"Chase and English China Clays. The Partnership grows."

Bob Carlson-Porter, Finance Director, E.C.C.



Hydraulic clay mining at St. Austell.



David Lookey, Group Treasurer, English China Clays; Andy Trenchard, Vice President, The Chase Manhattan Bank; Bob Hinaman, Executive Director, Chase Manhattan Limited; Bob Carlson-Porter, Finance Director, English China Clays.

When English China Clays decided to tap an additional source of short term finance, and to benefit from the lower cost and flexibility of Euro-commercial paper, they turned to Chase.

It was a decision which resulted from their position as a major British multi-national, and Chase's position as a global financial intermediary.

For a worldwide market leader like English China Clays, a Eurocommercial paper program can provide a highly cost effective means of financing

continued growth and expansion.

The program arranged by Chase, will also enable them to meet a growing international investor demand for prime names.

It wasn't only because of a long and close working relationship together, that English China Clays turned to Chase. It was also because of Chase's track record as a participant in over 25% of all Eurocommercial paper issues since 1984; its inclusion in close to 100 tender panels and dealerships; and its position

as a market maker in over 50 issues. Of course they wanted the confidence of Chase's Euromarket distribution capability. A worldwide network, with sales teams in key financial centres, that adds up to sales of over \$1,000,000,000 a month, in short term Eurosecurities alone.

This is the Chase Partnership. A partnership based on mutual trust and innovation, and building towards a lasting commercial and investment banking relationship.

The Chase Partnership



UK NEWS

David Lascelles on how one of the big banks is preparing for the City Revolution

A Big Bang gamble at Lloyds

WHEN the "Big Bang" restructuring of the City of London goes off on October 27, will Lloyds Bank be in front of or behind the starting line?

As the only UK dealer to have decided to go into the City revolution on its own instead of by buying a stockbroker or a jobber, the black horse bank will be carrying outside odds. But as the details of its fledgling City operation unveiled yesterday showed, it is training hard.

Lloyds Merchant Bank (Government Bonds) (LMBGB) will be one of the 29 primary dealers recognised by the Bank of England to make markets in gilt-edged stock. The rationale put forward by other banks for buying an existing stock exchange business is that it instantly brings experience, clients and a name in the markets - all essential in the relatively short space of time at its disposal.

Lloyds, the smallest of the Big Four dealers, thought that was all too expensive and difficult, so it is developing all these itself. But Mr Robert Openshaw, LMBGB managing director, is keen to stress that this approach has more advantages than disadvantages.

The problem of blending together two existing firms, with all the personnel tensions that creates, does not arise. "Everyone here was recruited for a specific job. In the other firms, they have to share the jobs out," he said.

Mr Openshaw, who has been in the City nearly 20 years, mostly in gilts, was wooed from Wood Mackenzie, the stockbrokers who are marrying up with Hill Samuel, the merchant bank, and whose gilt operation he was due to help set up.

LLOYDS BANK is to invest £25m in a new subsidiary which will become a primary dealer in the gilt-edged market to be launched next October with the "Big Bang."

Lloyds is the only big UK bank which has not bought a stockbroker or jobbing firm in order to participate in the City Revolution, which is producing new alliances between banks and London Stock Exchange firms.

The new subsidiary, Lloyds Merchant Bank (Government Bonds) announced yesterday, has been created internally from the existing resources of the Lloyds Group, and by hiring individual dealers and specialists in the City markets.

Mr Robert Openshaw, its managing director, said Lloyds aimed to obtain 5 per cent of the

client business in the gilt markets. The Bank of England has recognised 29 banking and securities groups from the UK and abroad to be primary dealers in the restyled gilt-edged market. They will have access to the Bank's dealing facilities but will be expected to help maintain orderly markets in UK government stock.

The £25m Lloyds is proposing to commit to the market is in the middle of the range set by other participants. Some have indicated an investment of \$40m or more, but others will be investing less than £25m.

Lloyds is building up its own securities business rather than buying one because of what it considered to be the excessive prices paid by banks for brokers and the high risks involved in the business.

He has hired a trading team of some 30 people whose numbers may rise by the end of the year.

Although Lloyds has had to match the high salaries being offered in the City for dealers, he says most of his recruits came to Lloyds because it was different, rather than for top pay.

The fact that they have not worked together as a team before does not concern him. "Things are going to change so much that even established dealers will have to prove themselves all over again after Big Bang."

Another advantage, he says, is that systems can be tailor-made for

the new company, and since there is not an on-going business yet, staff can devote themselves full-time to planning, right up to the last minute.

He concedes that the main disadvantage is that Lloyds has no client base, which means it may lack the inflow of business and distribution power of its rivals. But building one up is to be the next task. A video with graphic representations of the Big Bang is being shown to potential LMBGB's clients: institutions, pensions funds and investors in the UK and abroad.

Others might say LMBGB also suffers from a lack of credibility: it

has no track record. Mr Openshaw agrees that at the start "we were 29 out of 29", but he maintains that with the unravelling of its plans and the growing perception of Lloyds' determination to be a major player in the markets, "we are now in the single figures."

The £25m that Lloyds is prepared to invest in what is widely expected to be an exceedingly risky business is about average among the 29 dealers.

Mr Openshaw says this should be enough to secure 5 per cent of the client business going through the market, the minimum he believes is needed to be a credible player. In a market turning over £20m a day, this means Lloyds would be handling £10m.

At the moment, the market turns over £15m and is growing at about 15 per cent a year. He expects client business to reach £1.5bn-£2bn next year. But in addition there will be several billion pounds worth of trading done simply among the dealers themselves, trying to make speculative profits. Total turnover could be anything between £3bn and £10bn, he suggests.

As for the most uncertain question - profits - "we have decided to ignore the first two years entirely. We are looking to the third year to make a profit. There is no pressure on us from above to make a profit before that."

Mr Openshaw is less forthcoming about the possibility of losses. But he points out that, since Lloyds has not spent large sums of money buying a broking firm, there is no comparison about justifying an expensive acquisition.

Britain backs joint European project for enriched uranium

BY DAVID FISHLICK, SCIENCE EDITOR

BRITAIN is backing the idea of a joint European nuclear research programme, involving France, to develop a new way of enriching uranium for use in nuclear fuel.

Britain and France are at present members of rival commercial consortiums engaged in uranium enrichment.

The UK is part of Urenco, the Anglo-West German-Dutch organisation which uses the gas centrifuge process, and France is member of Eurodif, a five-nation group based on the French gas diffusion process.

The new process, which uses lasers to separate the finely uranium atoms, has already been chosen by the US as the basis for its future commercial operations.

Mr Con Aldrey, chairman of British Nuclear Fuels (BNFL), the British atom supplier in Urenco, said a House of Lords select committee yesterday that his company planned to expand its laser enrichment research throughout, from about £2m, to between £5m and £10m next year.

Mr Aldrey, who was giving evidence before the European Communities Committee on nuclear power in EEC states, said he was very pleased with the way Urenco's European collaboration had been

the Americans in developing the gas centrifuge process.

Urenco, he said, had successfully pursued a small machine with a long life while the US had spent 10 times as much trying to develop a much bigger machine until "the whole thing became hopelessly uneconomic."

Mr Aldrey said he saw a risk that the US could leapfrog Urenco with its new laser process, for which it had abandoned its big gas centrifuges. He said Urenco was the world leader in setting the price of uranium enrichment.

Urenco's "extremely competitive" gas centrifuge process could face competition from any new uranium enrichment plant built in the next 10 years, he said.

Pressed by Lord Zuckerman, a former chief scientific adviser to the British Government, Mr Aldrey said he saw a risk in the future of the gas centrifuge being overtaken by the laser process.

Mr Aldrey said BNFL's German partners in Urenco were also taking an interest in the laser enrichment process. Urenco would like to build on the success of its tripartite research and development collaboration to develop a laser enrichment process, preferably with the French as a fourth partner.

Output of North Sea oil rises by 3.2%

BY MAURICE SAMUELSON

THE GOVERNMENT'S latest monthly energy statistics show Britain's oil production continuing to rise steadily despite falling world prices for crude.

Between September and November, the UK's production of crude, mainly in the North Sea, reached 31.8m tonnes (232m barrels), 3.2 per cent more than in the corresponding months of 1985.

Some two thirds of production - just over 20m tonnes (160m barrels) - was exported although imports brought net exports of crude down to about half that quantity.

The tables in the January issue of the Department of Energy's Energy Yearbook also show a 2.9 per cent rise in total inland energy consumption on a primary fuel basis compared

with the same months a year earlier. Electricity consumption was 3.6 per cent higher.

After several months of post-strike recovery by the oil industry, total national oil stocks at the end of November were about 36.5m tonnes, similar to the amount 12 months earlier. Power station coal stocks also stood at a similar level of 28.8m tonnes.

The recovery in the mines was also shown in the record productivity level of 3.62 tonnes per man-shift by underground colliery workers, compared with 3.55 tonnes in 1985.

At the end of November the coal industry's workforce was down to an all-time low of 327,000, 35,000 fewer than in the months at the end of 1985 leading up to the year-long miners' strike.

Textiles sector urges 'made in EEC' label

BY ANTHONY MORETON, TEXTILES CORRESPONDENT

THE BRITISH clothing and textile industries are to meet Mr Michael Howard, Minister for Consumer Affairs, in London today to press for a "Made in the EEC" label to be sewn into all clothes made in the 12 Community countries.

The move follows the decision by the European Court banning origin labels, such as "Made in the UK" or "Made in Britain," as being incompatible with EEC law.

Origin labels are enthusiastically supported in Britain, France and Italy but strongly opposed by both West Germany and the Netherlands which have a lot of their clothes made up outside the two countries

but sold in their markets as German or Dutch.

Mr Norman Sussman, chairman of the British Clothing Industries Association, who will lead the delegation to the minister, said he would urge Britain to press for a "Made in the EEC" mark to prevent fraud.

Mr Sussman, who will be accompanied by leaders of the Knitting Industries Federation and the British Textile Confederation, said: "The consumer has the right not to be misled. There are always those unscrupulous enough to try to take advantage of such a situation, and

we must make sure that garments are not made to look British, French, Italian or German by cleverly concocted brand names and logos.

"With the creation of a true internal market and the removal of all barriers a "Made in the EEC" label is both logical and essential."

Origin labelling came into effect in the UK in 1982 under an Order in Council which stated that most textiles, clothing, footwear, cutlery and domestic electrical appliances had to be marked with an indication of origin.

The order arose out of the 1972 Trade Descriptions Act which re-

quired imported goods sold under a British name to be accompanied by an indication of origin. The European Commission is known to be looking at this act to see if it complies with European legislation.

Within the Commission in Brussels there is thought to be considerable enthusiasm for a "Made in the EEC" label.

Most clothes on shop rails continue to carry origin labels, and the leading stores are considering future policy. It is thought many of them will continue to put a "Made in the UK" label on clothes which they stock on a voluntary basis.

Philip Stephens examines the OECD survey of the UK economy

Prospect bleak for employment

UNEMPLOYMENT in Britain is now almost as bad as during the depression of the 1930s, and the current problem appears more persistent and deep-rooted, the Organisation for Economic Co-operation and Development (OECD) says in a gloomy assessment of the outlook for the country's jobs.

Its latest survey of the UK economy, specifically focused on developments in the labour market since 1979, identifies the failure of wages to adjust to lower inflation and to soaring unemployment as being at the core of Britain's economic problems.

That failure effectively rules out the option of any general reduction of the economy to reduce the number of people out of work. Without greater wage moderation a stimulus to demand would be dissipated in higher inflation, the Organisation says.

Because the rise in the number of jobs over the past two years has been concentrated in part-time work, employment in terms of full-time equivalents is now effectively lower than in the 1970s.

The survey contrasts the downward pressure on wages resulting from higher unemployment in other developed economies with the much weaker impact seen in Britain where earnings have continued to rise strongly.

In these circumstances, there is little that macro-economic policy can do to reduce unemployment," it says.

The OECD appears to accept the Government's argument that slow-



increases in real, or inflation-adjusted, wages would significantly improve the outlook for jobs. It is uncertain, however, over where the impetus for such moderation might come from.

The present Government has explicitly rejected any formal incomes policy and the survey does not look at the possibility of such a strategy.

The survey says that the evidence of the last few years suggests that the rate of change in the unemployment level in Britain may be as important as actual jobless total in moderating pay. "This suggests that much of the wage-restraining influence of unemployment may eventually disappear as the unemployment rate stabilises, even if unemployment is very high."

The OECD believes that a number of measures introduced by the Government over the past few

years will eventually help to improve the working of the labour market.

It says that the Government's trade union legislation, which has strengthened the relative position of employers vis-à-vis their workers and increased democracy among the unions, has eased the rigidities which have kept wages unjustifiably high.

There is a general feeling in the United Kingdom that more realism is emerging in the industrial relations area and this may be important in the longer run in leading to an improvement in labour market performance."

The survey adds that measures to increase labour market mobility, tax changes to tilt the balance of incentives from capital to labour and amendments to the National Insurance system will also have a benefi-

cial impact over the longer-term. The changes, however, will take time to make any real impact and the key question is whether the new realism among British workers will survive a return to full employment.

"Even greater effort than hitherto is therefore necessary to improve the supply responsiveness of the economy, not only by the Government but also by the social partners, especially as North Sea oil production is near its peak."

The survey is sceptical, however, about the value of dismantling minimum wages legislation.

Over the short term, the OECD believes that the Government could do more to help particular sections of the jobless, especially in unemployment blackspots.

"The Community Programme, which is directed towards the longer-term unemployed, seems particularly useful since the evidence suggests that these people do not play an important role in putting downward pressure on wages."

Demographic trends, which will result in slower growth of the labour force over the next few years, will also be more favourable.

The report concludes, however, that the wage moderation that is required, if unemployment is to be reduced without a resurgence of inflation, depends on greater awareness of the links between wages and employment creation and further improvements in industrial relations and the labour market more generally.

Growth expected to slow, inflation to increase

THE PACE of Britain's economic growth may slow to under 2 per cent by the first half of next year, while consumer price inflation is expected to accelerate slightly after a projected fall in the first part of this year.

The Organisation for Economic Co-operation and Development (OECD) says those trends hold little prospect of any significant fall in the unemployment total in the immediate future.

The forecasts, covering the next 18 months, are based on the exchange rates and oil price prevailing in early November. But the countervailing influences of the downward shift in oil prices and fall in sterling's value since then are expected to have only a small impact on the central projections.

For 1986, the OECD expects economic growth, measured by gross domestic product, of 2.5 per cent, down from 3.25 per cent last year.

In the first half of 1987, the growth rate is expected to slow further to an annual 1.75 per cent.

The forecast is also less optimistic than the Treasury's projections on the outlook for inflation. It suggests that the pace of increase in consumer prices will slow to an annual 4 per cent by the end of this year but will edge up to 4.5 per cent in the first half of 1987.

The survey suggests that growth in output over the next 18 months will be sustained largely by higher consumer spending, with the previous areas of the economy's strength, exports and investment, weakening.

At the same time, the strong contribution to growth provided by the build-up of North Sea oil production in recent years is now likely to ease.

Oil output, which in 1980 represented only 4.5 per cent of total output, has contributed around 20 per

cent of the rise in output since the trough of the recession in 1981.

It expects the current account of the balance of payments, however, to remain in healthy surplus into the first half of 1987, with a deterioration in the visible trade position being offset by an increased surplus on invisibles.

The OECD highlights the damaging impact on the economy of sterling's volatility in recent years - particularly the damage to output caused by its sharp rise in 1979-81 and higher inflation after its fall at the end of 1984.

In a passage apparently giving support for full British membership of the European Monetary System, it says that a reduction in that volatility would improve both private-sector decision-making and the setting of official policy.

The survey also suggests that the Government's failure to reduce public borrowing over the past few

years has contributed to the high level of interest rates in Britain.

The public-sector borrowing requirement has remained at 3 to 3.25 per cent of GDP for the last four years, although the overshooting in 1984-85 was largely due to the miners' strike.

Progress in containing borrowing, it adds, has depended more on increased savings and on sales of state-owned assets than on reductions in public spending.

It says the Treasury should take account of asset sales, as well as the fall in the public sector's net worth since 1980 when setting its Public-Sector Borrowing Requirement target for the coming financial year.

OECD Economic Survey 1985-86, United Kingdom, January 1986. Annual subscription for the survey OECD, 2 Rue André Pascal, 75775 Paris Cedex 16, France.

Advertisement for Health First. Text: 'A new private health plan specially designed for the self-employed. Group discounts even if you work on your own. Reply today for your FREE Information Pack. If you are self-employed, private health care should be important to you. Because, if you become ill, you'll want to get better quicker, be back at work quicker...back to earning money quicker. A special extra benefit that other plans don't offer. Some private health plans offer 'group' rates to businesses with upwards of 3 or 5 people. But the Health First Plan gives discounts to one self-employed person...you? Then, as your company grows the premiums reduce even more. Send for the Free Information Pack today. Just complete and post the coupon. Health First, Richmond Hill, Bournemouth, B22 6BZ, Tel: 0202 292444. NO STAMP REQUIRED. To: Health First, FREEPOST, Bournemouth B22 6BZ. Scan self-employed and would like to know more about the Health First Plan. Please send me my FREE Information Pack. Name: _____ Position (if applicable): _____ Company: _____ Address: _____ Postcode: _____ Telephone: _____ Type of Company: _____ No. of Employees (where applicable): 1-5 6-20 21+ HEALTH FIRST TO SHOW YOU CARE 0300256

Advertisement for Chase Manhattan Overseas Banking Corporation. Text: US \$150,000,000 CHASE MANHATTAN OVERSEAS BANKING CORPORATION FLOATING RATE NOTES DUE 1993 For the six months 31st January, 1986 to 31st July, 1986 In accordance with the provisions of the Notes, notice is hereby given that the rate of interest has been fixed at 8 7/8% per cent and that the interest payable on the relevant interest payment date, 31st July, 1986 against Coupon No. 16 will be U.S.\$41.16. Agent Bank: Morgan Guaranty Trust Company of New York, London.

Advertisement for FT Financial Times Conferences. Text: FT FINANCIAL TIMES CONFERENCES Cable Television & Satellite Broadcasting Hotel Inter-Continental, London 4 & 5 March 1986 Questions to be debated at the fourth Financial Times Cable Television & Satellite Broadcasting Conference include: * What programmes will Mr Maxwell and Dr Berlusconi provide on their DBS channels and will they be attractive enough to persuade the consumer to buy receiving equipment? * How will the three way battle for the European audience between Mr Maxwell, Sky Channel and ITV's Super Channel turn out? * How can the cable operators speed up the process of creating the critical mass of subscribers that will turn cable television into a serious business? * Are interactive services a business for the next decade rather than this? * Will the price of home satellite receiving equipment fall rapidly enough to pose a threat to the growth of cable? Some of the speakers taking part: Mr Robert Maxwell, Publisher, Mirror Group Newspapers Ltd; Mr Alain Giraud, Conseiller Technique, Ministère des PTT; Mr Jon Davey, Director General, UK Cable Authority; Mr David Plowright, Managing Director, Granada Television Limited, Chairman, Independent Television Companies' Association; Professor Albert Scharf, Deputy Director General, Bavarian Broadcasting Corporation, President, European Broadcasting Union; Mr John Ross-Barnard, Chief Executive, Coventry Cable Ltd; Mr Robert Kennedy, Managing Director, Screen Sport Limited; Mr Manfred Lahnstein, Member of the Board, Bertelsmann AG. To: Financial Times Conference Organisation, Minster House, Arthur Street, London EC4R 8AX, Tel: 01-621 1365 Telex: 27347 FTCONF G. Name: _____ Position: _____ Company: _____ Address: _____ Tel: _____ Telex: _____

Advertisement for Philip Stephens examining the OECD survey of the UK economy. Text: Philip Stephens examines the OECD survey of the UK economy Prospect bleak for employment UNEMPLOYMENT in Britain is now almost as bad as during the depression of the 1930s, and the current problem appears more persistent and deep-rooted, the Organisation for Economic Co-operation and Development (OECD) says in a gloomy assessment of the outlook for the country's jobs. Its latest survey of the UK economy, specifically focused on developments in the labour market since 1979, identifies the failure of wages to adjust to lower inflation and to soaring unemployment as being at the core of Britain's economic problems. That failure effectively rules out the option of any general reduction of the economy to reduce the number of people out of work. Without greater wage moderation a stimulus to demand would be dissipated in higher inflation, the Organisation says. Because the rise in the number of jobs over the past two years has been concentrated in part-time work, employment in terms of full-time equivalents is now effectively lower than in the 1970s. The survey contrasts the downward pressure on wages resulting from higher unemployment in other developed economies with the much weaker impact seen in Britain where earnings have continued to rise strongly. In these circumstances, there is little that macro-economic policy can do to reduce unemployment," it says. The OECD appears to accept the Government's argument that slow-

Handwritten note in Arabic script: 'مكتبة الأمل'

TECHNOLOGY

Jane Rippeteau on the skyscrapers with electronic 'brains' and systems

High (rise) IQ ... or how buildings get smart

Also, he says, the system offered may come with more features than a small tenant could afford. Still, Reliance, with 1m sq ft under construction, is considering a shared tenant service in at least one building.

Honeywell, a long-time competitor of United Technologies in building automation systems, is far from deterred. It has just jumped with both feet into supplying not just the voice/data system but the entire soup-to-nuts smart building.

Honeywell prefers the term "integrated building" and estimates that the market in the US alone will grow from 15 per cent of the \$2.2bn (£1.56bn) commercial buildings market in 1985 to 40 per cent of a \$8.5bn market by 1995.

Honeywell has had test locations in study for some time. It has just underscored its commitment to the single-system concept by making an agreement with AT & T to use that company's multi-purpose premises distribution system, or PDS, for building wiring.

Honeywell will market a package built around the wiring for building controls, computers and communication. Because it makes the hardware for all three components, Honeywell claims it can offer 10 per cent savings on installation and up to 20 per cent of like-cycle costs over a multi-vendor system.

Honeywell is not at a loss for admirers. The company "really has a competitive edge," says Mino Akhtar of American Express. As a main vendor in building control systems it was able to bring its own computer technology into this area, she says.

Not everybody agrees with a single-source approach. "It all sounds great," says Norman

Merrill Lynch and American Express reserved the right to choose their telecoms packages

Kurtz, the engineer. Yet his company is now advising clients against the package deals. "It is best," he suggests, "to consider each system on its own merit and then buy the best for each application."

On basic building systems, he suggests building automation controls might be linked with security or life safety systems, but that lifts should stand alone. Voice/data communications should remain isolated because technology is changing far more rapidly in that sector and because "it is such a function of the needs of individual tenants," he says.

Merrill Lynch, investment bankers, and American Express came to that conclusion when negotiating their tenancy in the World Financial Center. While they and tenants in the compound's other building will have similar automation systems, each reserved the right to select their own telecommunications packages.

In London, Peter Kershaw, director of Stanhope Securities, which is developing the Broadgate office complex, says: "It's best to let the tenant install what they want." At Broadgate, where Security Pacific and Shearson Lehman American Express will be moving into the first 500,000 sq ft, British Telecom and Mercury are installing lines, he says.

The variety of players and preferences shows that the best means of marshalling the components of the smart building of the future are still in a state of flux.

wired for dual communications. Yet the trend is accelerating.

"This will all be commonplace in five years," says Norman D. Kurtz, principal of New York City's Finkel and Kurtz, one of the leading mechanical and electrical engineering firms in the US and a big participant in the market.

At CIGNA, the big American insurance company, communications specialists are studying a new satellite system that would permit cost-effective transmission from headquarters computers to remote locations—even to the home of independent insurance agents, for instance.

The company already has satellite links among three offices. These permit an agent writing policy in Springfield, Illinois, for instance, to query a computer in Voorhees, New Jersey, from his desktop terminal and have a reply in seconds.

"It is a proven technology," says Steve King, assistant vice-president for data communications at CIGNA. Although, he says, "it is still the exception in our own network and among companies generally."

In cost terms, he says, the satellite technology is not effective unless a sufficiently large volume of data is transmitted, the distance is at least between 500 and 800 miles and the user long enough for installation to make sense.

The company sends its voice communication over an internal network and out on private lines to an AT&T switching centre where, under an AT&T service, it is combined with transmissions from other corporations for long-distance travel and then sorted out at the destination.

More prevalent are earlier incarnations of the smart building: those with automated building monitors and controls (see story below). The temptation now is to link some or all of these systems into one grand smart building with a multi-purpose data path, or "highway," and offer them as a package deal to occupants.

A joint venture between United Technologies and AT&T hit on the concept of shared tenant services for voice/data communications. The idea was to install a single system of telephones, personal computers and a data highway into a property and then lease it to tenants; they would simply "plug in."

The venture, Sharetech, made 32 installations before calling it a day, says the chief executive,

Honeywell has just jumped with both feet into supplying a complete range of systems for buildings

David Grimes. The partnership is being dissolved, he says, because the business "did not meet expectations."

He is reluctant to specify why the scheme failed. But other industry watchers point to a desire by users to control their own systems and to make the most of the new-found flexibility inherent in telephone company deregulation and changing technology.

A developer, James Llanas, vice president of Reliance Development Group, says: "Some tenants have phones. Others don't want to buy your phones."

An office revolution that was fuelled by the energy crises

THE TREND towards smart buildings was spurred by the energy crises of the 1970s. Analyses sponsored by the US Government showed that about one-third of the energy used in the country was consumed by buildings.

Engineers were quick to meet the challenge of a new market. With energy-efficient motors, some alternative energy sources and, importantly, new micro-processor-based systems for monitoring and managing energy use, some remarkable cuts in consumption resulted. New smart commercial buildings in the US use between one and two-thirds the amount of those built before the energy crises.

Systems readily available include those which can sense outside air temperatures and then adjust heat and air conditioning. Some offices sport motion-activated lights that automatically go out after a person leaves a room.

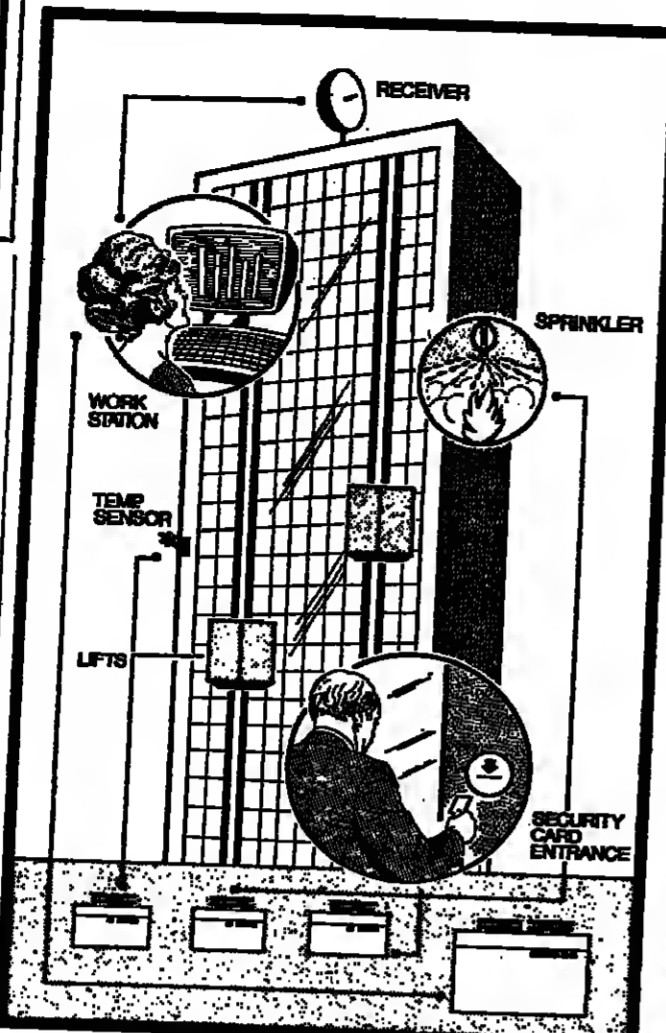
Meanwhile, electronics spread through the building. Suppliers such as United Technologies, Honeywell, Johnson Controls and others harnessed the microchip to

run lifts, security systems and life safety needs such as fire alarms (in one building candles from an office birthday celebration set off a sensitive electronic smoke detector). Each system was run by its own computer.

Enter automation, personal computers and the deregulation of the American Telephone & Telegraph Company. Suddenly, it was technically and legally possible for companies to build internal telephone systems to carry both voice and data. Enter another central control computer.

The result is a building can have five systems—building automation with energy management, lifts, security, life safety and voice-data communications—all of differing complexity but all computer-controlled and all using the binary language of the computer.

Ideally, they can run themselves remotely, alert workers to dangers, tell others who has clearance to go where, and carry workers' communicating needs to the outside world. In short, they are



How the smart building is equipped

THE American Express Company is moving from one side of lower Manhattan in New York City to the other. But its relocation to the new World Financial Center is more than just a jaunt across several blocks. Everybody seems to agree that it is going to be the smartest building on the block.

They are not referring to the marble-walled lobby. "Smart" means fitted with electronic brains and systems—which range from sensors sampling the heat and lights to security intruders moved only by carrying employees.

But workers in this 2m sq ft tower will also be treated to a leading version of the latest and sexiest component of the intelligent building: voice and data telecommunications that, in this case, will link workers' fingertips to those of colleagues across the globe.

"It's a fully-wired skyscraper," says one of the managers, Mino F. Akhtar, a director in American Express's corporate systems and technology unit. "Any workstation can have communication to the outside world."

She says: "It's a philosophical change in looking at data communications. We are treating these systems just as we treat all other utilities."

The building is equipped for systems that will permit an employee in New York to send a letter, document or other data from a desktop computer or word processor to one across the floor in locations from Brighton to Hong Kong.

Software is under test to complete the telephone-line linkages this year. Every workstation will be wired and advanced cabling will permit the connection of telephones and computers from a variety of suppliers; an Apple could talk to an IBM PC or to a Wang.

Also, a local area network centre on each floor will allow a maximum of flexibility to employees. A curve or addition to staff can be accommodated by unplugging one connection and plugging in another.

"It's a patching facility," says Mino Akhtar. "In the past you would have to run a completely new line. This has been done in the phone industry all the time. Now we're doing it for data communications."

Similar installations are in the works for other buildings in the Center. Another occupant contemplates a link to a satellite earth station on Staten Island. Indeed, in New York and across the US, building owners are beginning to incorporate such capability.

And there is a growing willingness to pay for such systems elsewhere. In Hong Kong, the

Hongkong and Shanghai Banking Corporation's new headquarters has raised floors with easy access to modules for plugging into power, telephone and telecommunications outlets. Mino Akhtar reports a steady stream of visitors, particularly from West Germany and Japan, anxious to learn about building such systems.

In the City of London the new Lloyd's building has automated building controls, computerised card-activated security and wiring pathways so that wires to connect computers can be installed later.

Lloyd's and the new Broadgate office compound under development in the City by a subsidiary of Stanhope Securities are the only new buildings in London that took voice/data communication needs into consideration from the early design stage, says William Southwood of the engineers, Ove Arup & Partners. And the UK, he says, "is the leader in Europe."

Built-in voice data capacity is still the exception. Industry estimates point to fewer than 100 buildings in the US pre-

DIG, DIGGER, DIGGEST
JCB CONSTRUCTION EQUIPMENT

The cam switches to electronics

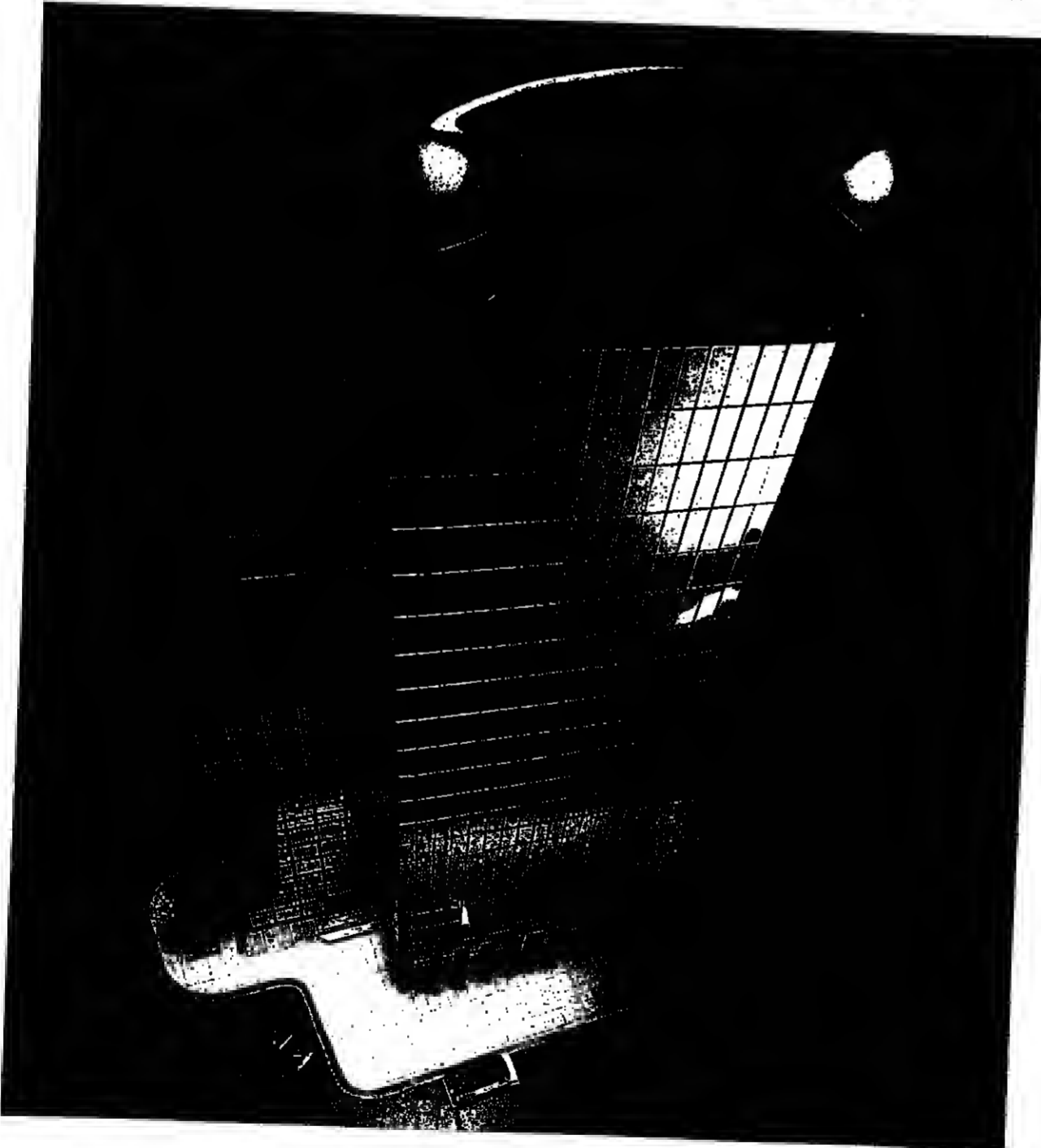
IN MANY kinds of machinery, particularly on production lines, cams are mounted on shafts and used to operate switches in order to generate instructions, at particular angular values, for other devices associated with the equipment driven by the shaft.

But new cams for each application are costly. In addition, they can wear and are often difficult to adjust. Britec of Rotherhithe, London, has developed an electronic equivalent which allows the angular values to be set using a small keyboard and display.

The shaft's position is signalled to the programmer by a rotary encoder mounted on the end of the shaft. With this as a reference, the user can program up to 25 angles at which start and stop signals are provided to associated machinery.

More on 61-327 586L

DIAL FREEPHONE GAS FOR THE FUEL OF THE FUTURE.



OFFICE HEATING

Whether your office is 1500 or 15,000 sq. ft., if you're responsible for overheads, you can't afford to ignore new developments in gas technology that could save your company money. Gas is highly efficient, economical and will still be going strong in the 21st century and onwards. For a free appraisal of how changing to gas can benefit your company, dial 100 and ask for Freefone Gas.

Gas

THE FUEL OF THE FUTURE

هكازمان الأجهل

Com
the
Ple

ITALIAN FINANCE

Sea of bureaucracy threatens success of Milan bourse

BY ALAN FRIEDMAN IN MILAN

THE MILAN bourse last year saw its main share index rise by more than 100 per cent; saw foreign investors play a key role in the bull run; and saw total market capitalisation rise from \$28bn to \$58bn in 12 months. But it is in danger of alienating the British and US institutions which have contributed to its rise.

The reason is sad—while Milan puts itself on the back for having gained the notice of the world, its share settlement system is overloaded. Beset by delays of not weeks, but months, it is approaching chaos because of bureaucratic delays.

Foreign institutions have not halted their investment in Italian equities, but they have issued increasingly stern warnings to the Italian authorities, stockbrokers and banks. Delays in deliveries of share certificates have in some cases taken up to four months. Now, to compound matters, investors are encountering costly delays in an area which should be sacrosanct in any financial market—payments for share transactions.

Mr Giorgio Ceis, a London-based director of Morgan Grenfell and one of the most active merchant bankers on the Italian scene, did little to disguise his anger and frustration in his voice when he commented last week: "I would be very surprised if foreign fund managers will continue to be interested in Italy if this situation is not dealt with."

The settlements problems in Milan are attributable to several factors. Reduced to simple terms, these concern antiquated and inefficient clearing systems in the throes of an unprecedented rise in trading volume.

To appreciate the complexity of the problem, try to follow this simplified chain of events concerning the hypothetical purchase of one million shares in Italian company X:

● A fund manager in the City of London telephones a Milan stockbroker and orders one million shares in company X.

● The Milan broker executes the purchase.

● Assuming the foreign buyer does not want physical delivery of the shares, the buyer must now arrange for a local agent bank to open a custodian account where the shares will be registered.

● The Milan broker goes to the local branch of the Bank of Italy, which acts as the main

clearing house for Italian stock markets.

● The Bank of Italy's local clearing room—the "Stanza di Compensazione"—must process the shares and deliver them to the local agent bank.

● The bank must register the shares in the name of the foreign investor.

A year ago, this string of operations took around 20 days to accomplish. The same operations can now take several

months. The reasons for the delay include the sixfold increase in volume which has hit the Bank of Italy clearing room. Likewise, even the biggest Italian banks which handle custodian accounts are not geared up to handle the increased volume. Add to these problems the intrinsic inefficiency of many Italian bank employees who, in a system which is 90 per cent state-owned, have the enthusiasm and attitude to work of any low-paid state bureaucrat.

Mr Paolo Azoni, a leading Milanese broker who handles large orders for foreign investors, says that it is not unusual for instructions to be lost or at least delayed inside the Italian banking system. "The shares, at a certain point, may

get stuck somewhere. If one link in this long chain breaks down then the investor can face intolerable delays."

In the past fortnight matters have gone from bad to worse: a series of erratic strikes inside the Bank of Italy has caused still more delays. Consob, the stock market regulatory authority, reacted by postponing settlements for the January trading account period and doubling the February account

period to 60 days. To avoid speculation during this period—when the February account data will be extended to the end of March—Consob ruled that buyers must put up 100 per cent of their purchase instead of the normal 50 per cent.

There is more, however: foreign fund managers say they are facing what Mr Ceis calls "a cashflow problem." The settlement chaos means that foreign investors are not getting their money on time when they sell shares.

Still worse, those institutions which have foreign accounts with Italian banks are not being allowed an overdraft. Thus a foreign investor cannot even ask a bank for an advance on a transaction.

"The settlement problem is having an impact. Foreign investors will accept uncertainty about share prices or about corporate performance, but not about payment," explains Mr Ceis. "And this must be understood clearly by the Italian authorities."

A partial solution to the problems would be found if legislation to streamline the settlement system were approved by Parliament in Rome. The legislation, which represents the efforts of the Bank of Italy and Consob, has been languishing for nearly eight months. It would empower a Milan-based share depository called Monte Titoli (literally "share mountain") to spring into action.

Monte Titoli is owned by 48 Italian banks, including the Central Bank. Founded in 1978, it was equipped with software and an automated underground vault at premises in a quiet residential street not far from central Milan. It did not begin operating until 1982 and in the absence of legislation has not yet fulfilled its original goal—to complement the work of the Bank of Italy's clearing rooms and of the custodian

Mr Dino Abbrescia, director-general of Monte Titoli, says that to date his company holds only 4 per cent of the shares in circulation in Italy. The rest are at banks and at the quoted companies themselves.

Mr Abbrescia says that when shares are transferred, the old shareholder's name must be cancelled out by pen and a new name filled in on one of three pieces of paper, each of which has space for 10 names. After 30 transactions, the share certificate looks pretty mouldy and is replaced.

The pending legislation in Rome would also be a step toward an electronic clearing system for shares. But Parliament has many other matters to deal with, not least approval of the Government's 1986 budget.

Thus the settlement question remains unresolved and with each passing week causes greater frustration for foreign investors in Italy. It is difficult to understand how the Italian authorities and Parliament can allow the situation to deteriorate further, and yet there is no sign of relief.



This announcement appears as a matter of record only.



SECURITY PACIFIC CORPORATION

(Los Angeles, California, U.S.A.)

Dfls 250,000,000

Floating Rate Notes due 1996

Amsterdam-Rotterdam Bank N.V.

EBC Amro Bank Limited

Salomon Brothers International Limited

Security Pacific Limited

Bank of Tokyo International Limited

Benque Peribas Capital Markets Limited

Nederlandsche Middenstandsbank nv

Nomura International Limited

Orion Royal Bank Limited

Pierson, Heldring & Pierson N.V.

Swiss Bank Corporation International Limited

S.G. Werburg & Co. Ltd.

January, 1986



IDB INTERNATIONAL N.V.

U.S. \$50,000,000

Guaranteed Floating Rate Notes 1986
Unconditionally and irrevocably guaranteed as to
payment of principal and interest by

ISRAEL DISCOUNT BANK LIMITED

For the three months
31st January, 1986 to 30th April, 1986
the Notes will carry an
interest rate of 8 1/2% per annum.

The relevant Interest Payment Date will be
30th April, 1986.

Bankers Trust
Company London,

Agent Bank

NOTICE OF REDEMPTION

APS Finance Company N.V.

US\$25,000,000

16% Guaranteed Debentures
Due 1989

Notice is hereby given that APS Finance Company N.V. has elected to redeem all of its outstanding 16% Guaranteed Debentures Due 1989 (the "Debentures") on February 15, 1986, at the Redemption Price of 101 1/2% of their principal amount, together with accrued interest to such date.

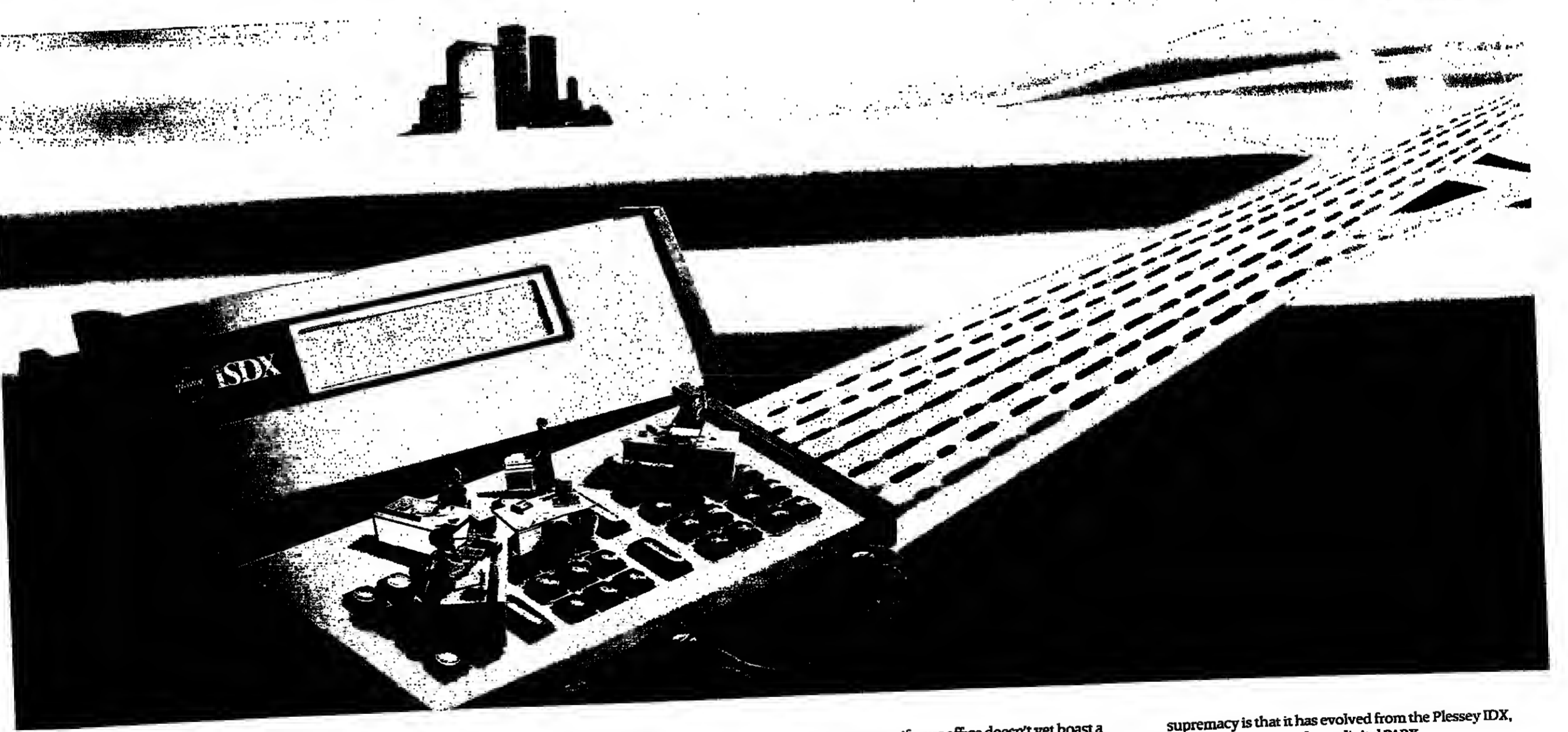
On February 15, 1986, the Redemption Price will become due upon all Debentures, and interest thereon shall cease to accrue on and after said date. All Debentures, together with all coupons appertaining thereto maturing on or after February 15, 1986, are to be surrendered for payment of the Redemption Price at the Corporate Trust Office of Bankers Trust Company in the Borough of Manhattan, The City of New York, or at the main offices of any one of (1) Bankers Trust Company in London, (2) Bankers Trust Company in Paris, (3) Bankers Trust GmbH in Frankfurt am Main, (4) Bankers Trust A.G. in Zurich, (5) Banque de Besenrix S.A. in Luxembourg and (6) Banque Indosuez Luxembourg in Luxembourg. The Debentures will be payable on or after February 15, 1986 at any one of the paying agents listed above.

This redemption is to be carried out pursuant to the provisions of the sixth paragraph of the form of Debenture, and all conditions precedent to redemption pursuant thereto have occurred.

APS Finance Company N.V.
By: Bankers Trust Company
as Trustee

December 31, 1985

Free revolution
was fuelled
energy crisis



Connecting the future-with Plessey ISDX.

PLESSEY the Plessey symbol, ISDX and IDX are trade marks of The Plessey Company plc.

In some ways, if your office doesn't yet boast a digital exchange, you have an advantage.

You're able to bypass newish but now outmoded communication system generations - and advance from your old system straight to the Plessey ISDX.

The Plessey ISDX - designed and manufactured in Britain - is far more than a superb telephone system. It makes available truly integrated communication of voice, text and data, and links the business world to ISDN - the newly emerging private and public integrated services digital networks.

The ability Plessey has in digital communications gives the Plessey ISDX a head start over any other system that claims to be competitive - whether your office needs as few as thirty lines, or thousands. The undeniable evidence of Plessey ISDX

supremacy is that it has evolved from the Plessey IDX, Britain's number one large digital PABX.

Connecting you to the future in communications is a Plessey habit - in public exchanges, packet switching, data networks, fibre optic systems - as well as exchanges for the private office.

In fact, Plessey has the name for being the total communications company.

It's a name worth knowing if you want to leap ahead. Plessey Telecommunications & Office Systems Limited, Beeston, Nottingham NG9 1LA.



PLESSEY

Technology is our business.

THE MANAGEMENT PAGE

A leap into America's big league

Alan Cane and David Marsh examine the strategy of one of Europe's fastest growing software companies

COUNTLESS European computer software companies have tried to break into the world's most lucrative market...

ware house before last month's \$30m acquisition of the consulting division of CGA Computer Inc...

America, with the remainder split evenly between France and the rest of Europe...

gan. Its articulate, charismatic vice-chairman, Philippe Dreyfus, has for years preached the gospel of professional software engineering...

Only companies like Cap Gemini can be considered members of the true software industry, he claims...

puters. It is an attitude which finds favour in France, especially within the Government...

Gemini has certainly had its share of patronage, but still values its independence in all sorts of ways.

Much of its success is said to be due to its simple management strategy; it concentrates on what it can do best...

Management abstracts

Sex Differences in Work Stress. T. D. Jick & L. F. Mitz in Academy of Management Review (US) July 85 (124 pages)

Reviews evidence from research studies of stress at work which show that women tend to suffer from higher rates of psychological distress...

Educational Malaise. C. L. Marsden and others in British Journal (UK), July-August 85 (74 pages)

Three linked articles: (1) explains the thinking behind the Department of Education's involvement with schools and colleges...

Training the construction workforce. M. Parkinson in Education and Training (UK), May 1985, September 1985 (4 pages)

Refers to the establishment in 1980 by Queensland's Department of Education of a confidential counselling and referral service for its employees...

These abstracts are condensed from the abstracting journals published by Anbar Management Publications. Licensed copies of original articles may be obtained at a cost of £4 each...

An 'intellectual' style of service

CAP GEMINI SOGETI likes to think it is as much at home in Chicago, Gothenburg or Munich as in Paris or Toulouse.

The takeover of CGA will propel Cap Gemini into the first division of US computer service companies. With total turnover on the US market expected this year to rise to around \$125m...

Cap Gemini's move to build up muscle in the US—where it made its first entry only seven years ago—has accompanied break-neck expansion in Europe over the past decade.

Under Serge Kampf, who founded the company in 1967 and remains the chairman and leading shareholder, the group has built its 10-fold expansion over the past decade on a mixture of decentralised management, close contact with the market place and firm overall financial control.

With a network of 90 branch offices in France and abroad (the US total of 21 will grow by a further six as a result of the CGA acquisition)...

CGA believes local operations have to be in the hands of locally hired managers to be successful. Its newly extended US activities, grouping 1,700 people under the name of Cap Gemini America...

"We need a company like ours, we need to forget nationality," says Michel Berty, the Cap Gemini secretary-general, who headed its US operations between 1981 and last year...

"We work in terms of bottom up, not top down," says Christer Ugander, in charge of the group's European operations outside France. Explaining how the group's confederate structure is best suited to keep it in touch with fast moving information technology markets...

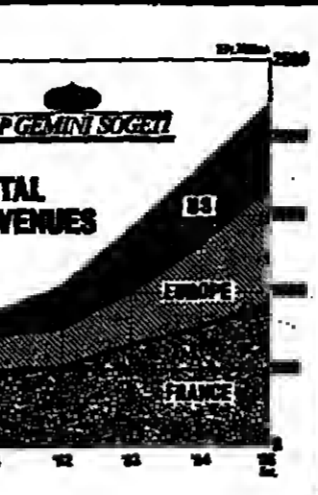
"People often ask us how big a marketing department we have. Some of our competitors have 20 or 30 people. We have none."



MICHEL BERTY



NET INCOME AFTER TAX and TOTAL REVENUES for CAP GEMINI SOGETI



TOTAL REVENUES for CAP GEMINI SOGETI



PHILIPPE DREYFUS

Cap Gemini concentrates all its efforts on providing data processing users with what it calls "intellectual services" (all opposed to manufacturing, sale or rental activities).

Among the company's roll-call of top 30 customers are IBM, Merrill Lynch, American Telephone and Telegraph, Banque Nationale de Paris, French Aerospace and the French atomic energy and space agencies.

Though the CGA takeover will give Cap Gemini what Berty calls "greater recognition" on the US market, he admits that the integration of activities and pooling of staff will be time-consuming.

Cap Gemini already had its eye on CGA when it decided to step up its presence on the US market in 1981. The company then decided to acquire the DADS concern—believing that the price of the then publicly quoted CGA would be too high.

network will gradually evolve into the sort of structure built up in Europe, where different semi-independent parts of the group can call on others for technical help in specialist fields.

In the US, the combined Cap Gemini/CGA operations in the Chicago/Milwaukee area, grouping 300 people, form a similar pole of expertise in manufacturing. Berty says managers in its New York/New Jersey offices (with 450 employees, Cap Gemini's strongest implantation) would be expected to call on assistance from the Middle West in connection with consultancy work on production systems.

directory system, the mainstay service on the nationwide Adnet videotex network. Berty says Cap Gemini is also planning an American launch for French technology for banking payments systems which are based on "smart" memory-containing cards, a device invented in France.

One of Cap Gemini's particular strengths is in videotex, where it has helped build up the French electronic telephone

pean electronics companies, Cap Gemini has argued in favour of bringing IBM into the European Community's Esprit research co-operation programme, in which the French company is a leading participant (as is France, the European technology scheme).

One of the signs of Cap Gemini's success in the US has been the landing of a series of government contracts, which now account for about six per cent of its American sales. "We don't want to build up what we see to the extent that we become vulnerable if the government turns off the tap," says Berty.

Cap Gemini's attitude towards government contracts—which contribute a fifth of the group's total worldwide revenues—is that they should not be allowed to impede the company's commercial objectives, says Ugander. In the past the company has turned down involvement in French government software engineering research projects because of stipulations that all the work be carried out on French-made hardware.

Over SDI, however, Cap Gemini believes it can make out a good case for participation, if not directly then through subcontracting links with US groups. "I don't see any reason why IBM should be kept out of SDI," says Ugander.

DM

U.S. \$100,000,000 The Sumitomo Trust Finance (H.K.) Limited (Incorporated in Hong Kong) 12 1/2% Guaranteed Notes Due 1992. NOTICE IS HEREBY GIVEN that pursuant to Condition 5(c) of the Notes, US \$2,000,000 principal amount of the Notes has been drawn for redemption on 4th March, 1986...

NOTICE OF REDEMPTION To the Holders of SCM Overseas Capital Corporation 5% Convertible Subordinated Guaranteed Debentures Due March 1, 1989. NOTICE IS HEREBY GIVEN that, in accordance with the provisions of Article Eleven, Sections 1101 and 1102 of the Indenture dated as of March 1, 1989 from SCM Overseas Capital Corporation and SCM Corporation...

Company Notices. KHANGURA COPPER MINES LIMITED. OPERATING RESULTS (Mark: tons) 31.12.84 31.12.85 31.12.84 31.12.84 31.12.84 31.12.84. FINANCIAL RESULTS (Zimbabwe) Turnover 22,073 22,788. Net capital expenditure 518 1,062.

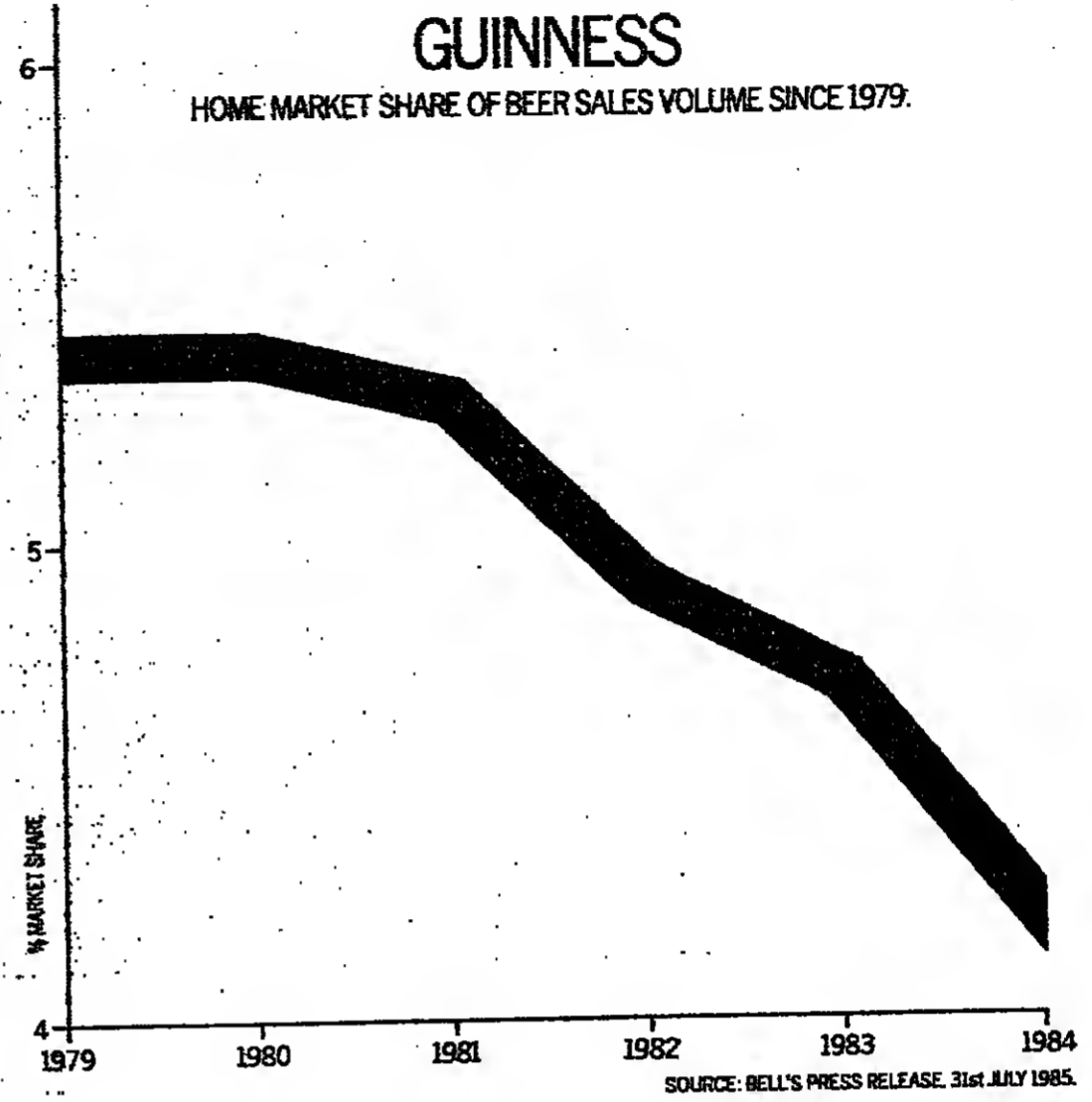
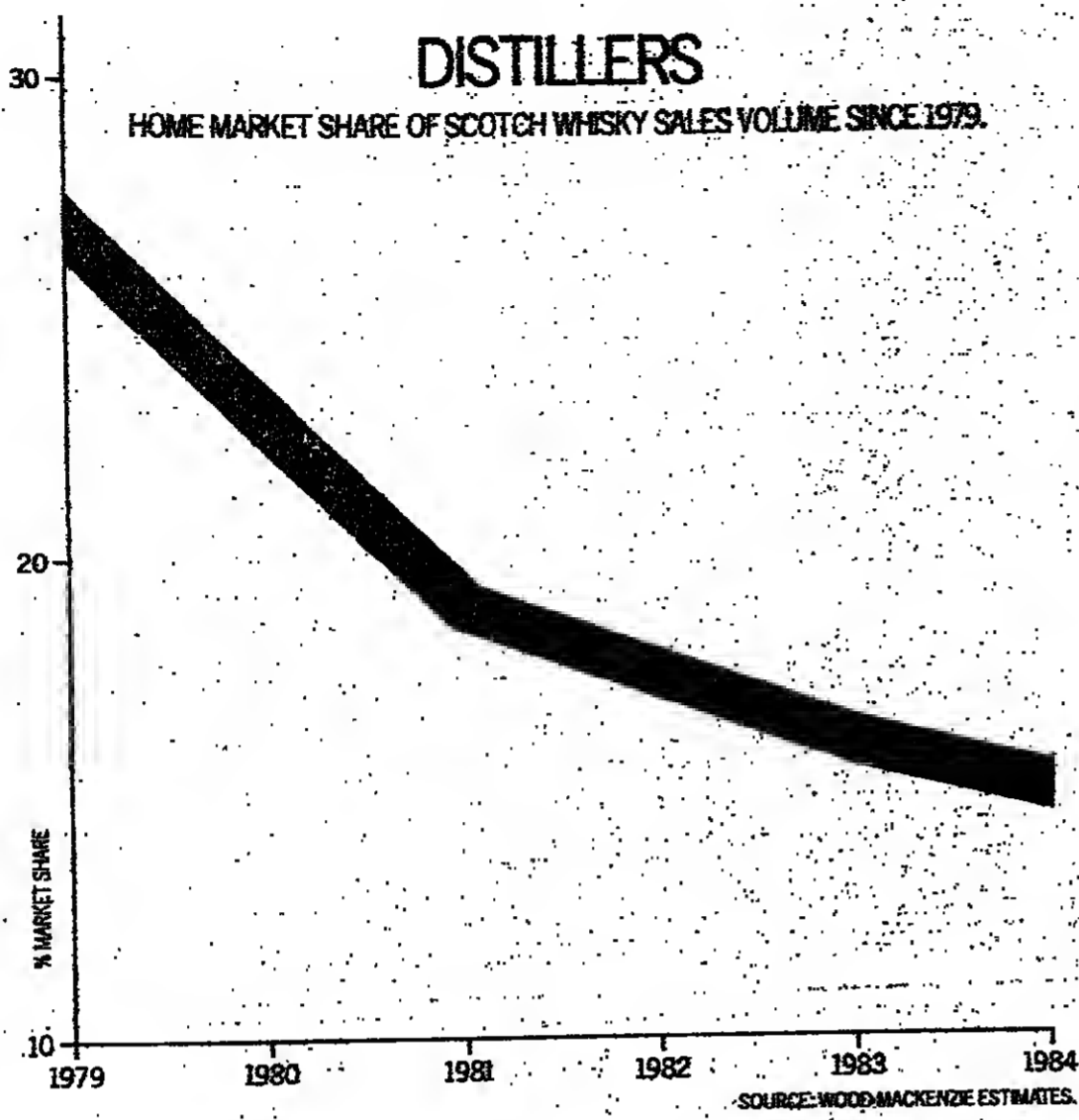
NOTICE OF ADJOURNMENT OF SCHEME MEETING IN THE SUPREME COURT OF SOUTH AFRICA (Witwatersrand Local Division). In the matter of the application of: FREE STATE GEDULD MINES LIMITED Registration No. 05/28394/06. Notice is hereby given that the meeting of members of Free State Geduld Mines Limited to consider and if deemed fit to approve a Scheme of Arrangement between the company and its members, commenced on Tuesday, January 28 1986...

Grindlays Eurofinance B.V. U.S. \$100,000,000 Guaranteed Floating Rate Notes 1994. Grindlays Bank p.l.c. In accordance with the provisions of the Notes, notice is hereby given that for the interest period 3rd February, 1986 to 4th August, 1986 the Notes will bear an interest rate of 8 1/4% per annum.

KIRSH TRADING GROUP LIMITED. NOTICE IS HEREBY GIVEN that the Board of Directors has declared the 5th interim dividend of 10 pence per share on the basis of the share register as at 14 February 1986. BANQUE NATIONALE DE PARIS. EUROPEAN COAL AND STEEL COMMUNITY 8.5% 12 Year Bonds of 1978 due 1st March 1990.

Handwritten Arabic text: كذا من الأهل

THIS ADVERTISEMENT IS PUBLISHED BY SAMUEL MONTAGU & CO LIMITED, CHARTERHOUSE, JARRET PLC AND NOBLE GROSSART LIMITED ON BEHALF OF ARGYLL GROUP PLC.
THE DIRECTORS OF ARGYLL GROUP PLC ARE THE PERSONS RESPONSIBLE FOR THE INFORMATION CONTAINED IN THIS ADVERTISEMENT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF HAVING TAKEN ALL REASONABLE CARE TO ENSURE THAT SUCH IS THE CASE. THE INFORMATION CONTAINED IN THIS ADVERTISEMENT IS IN ACCORDANCE WITH THE FACTS. THE DIRECTORS OF ARGYLL GROUP PLC ACCEPT RESPONSIBILITY ACCORDINGLY.



You can see
why Distillers
feel at home
with Guinness.

Argyll. We can revive Distillers' spirits.

THE PROPERTY MARKET BY MICHAEL CASSELL

Rosehaugh rides on along the low-risk road to success

GODFREY BRADMAN likes to keep a low profile... which must prove something of a challenge for the man at the helm of Rosehaugh...

new Woolworth Holdings, later exercised them at a cost of \$4m and recently sold them for \$20m. Some failure...

development programme in hand and which, for good measure, is building around \$85m worth of luxury homes in central London...



Godfrey Bradman - "a bit of lateral thinking"

Rosehaugh, which teamed up with Greycoat to carry out the 266,000 sq ft net office project, set about finding a group of approved investment firms prepared to subscribe for \$34m of nil-paid debenture stock...

The original proposals include over 1m sq ft of office space, together with shopping and community facilities designed to create the City's biggest financial services centre...

tured, well motivated (not to mention well paid) management team. There are a number of subsidiary and associated companies, each with its own managing director...

MURTHY HOSPITAL & GROUNDS, PERTHSHIRE. Extending to 105 Acres - For Sale Complete or in Two Lots. An outstanding opportunity to purchase this magnificent 52,800 sq ft building...

A new air conditioned office building 5,520 sq. ft. FOR SALE or TO LET. Sole Letting Agents St Quintin. Tel: 01-236 4040

WEST LONDON New Self-Contained Air-Conditioned Office Development 10,000 sqft. FREEHOLD FOR SALE. Apply Box No: T 6281

24 GRAFTON STREET, W1 TO BE LET. 8,000 sq. ft. New, Elegant Offices rebuilt behind period facade. Philip Andrews, 2 Duke Street, Manchester Square, London W1M 5AA. Tel: 01-486 5991

SW1 SELF CONTAINED HEADQUARTERS OFFICE BUILDING. * 45,000 sq ft * To let * Under £14 psf per annum * Air conditioned * Car parking. Write Box T6286, Financial Times, 10 Cannon Street, London EC4P 4BY

Regional Property SALISBURY Industrial/Warehouse Land FOR SALE. 1.25 Acre Sites. (Premises constructed to purchasers specification if required). Contact Joint Sole Agents chancellors co MYDDELTON & MAJOR

International Property INVESTMENT CLIMATE IN SPAIN NEVER BETTER. With Spain on the threshold of the Common Market, a new era is dawning which will make property investment in Spain more rewarding than ever before...

AGRICULTURAL MANAGEMENT LIMITED PRESENT THE 1986 AGRICULTURAL CONFERENCE. "World Food - What is the EEC versus the USA?" At the Grand Imperial International, Grosvenor Park, West Sussex on Friday, 7th March 1986.

BERMUDA ESTATE NUNATON. Junctions 3 and 5 on the A10 - 2 miles - Coventry 7 miles. FOR WAREHOUSING AND CUSTOM BUILT UNITS THE RIGHT LOCATION FOR LOW COST DISTRIBUTION. 12 ACRES. FREEHOLD LAND FOR SALE.

IBA Investments 100% IBAS 8.9% yield. FEW REMAINING. PHONE MR ORCHARD 01-278 343/4. WPC LTD, FREEMOST LONDON EC2B 1ER

Factories and Warehouses BOURNEMOUTH - Quality commercial premises with industrial development potential. 300 sq. ft. to 100,000 sq. ft. Call 01-278 343/4.

Are you seeking to raise Finance from your Property Assets? We have clients with substantial funds seeking Sale or Leaseback transactions or outright purchase of property and holding companies. EDWARD SYMONS & PARTNERS, 26/28 Winton Road, London, SW1V 1DH

Humberts Grosvenor Street W1 Air conditioned offices 2,000-2,900 sq. ft. Available Short Term Details: 01-422 6779 Ref: BTC

INDUSTRIAL BUILDING ALLOWANCES 1985/86 SURVEY. Management available. Price £200,000 inclusive 2 year guarantee. (0303) 45773 - Mr. Hoar

Offices To Let FURNISHED OFFICE SUITE to let in prime West End location. New West End 300 sq. ft. Tel: 01-278 343/4

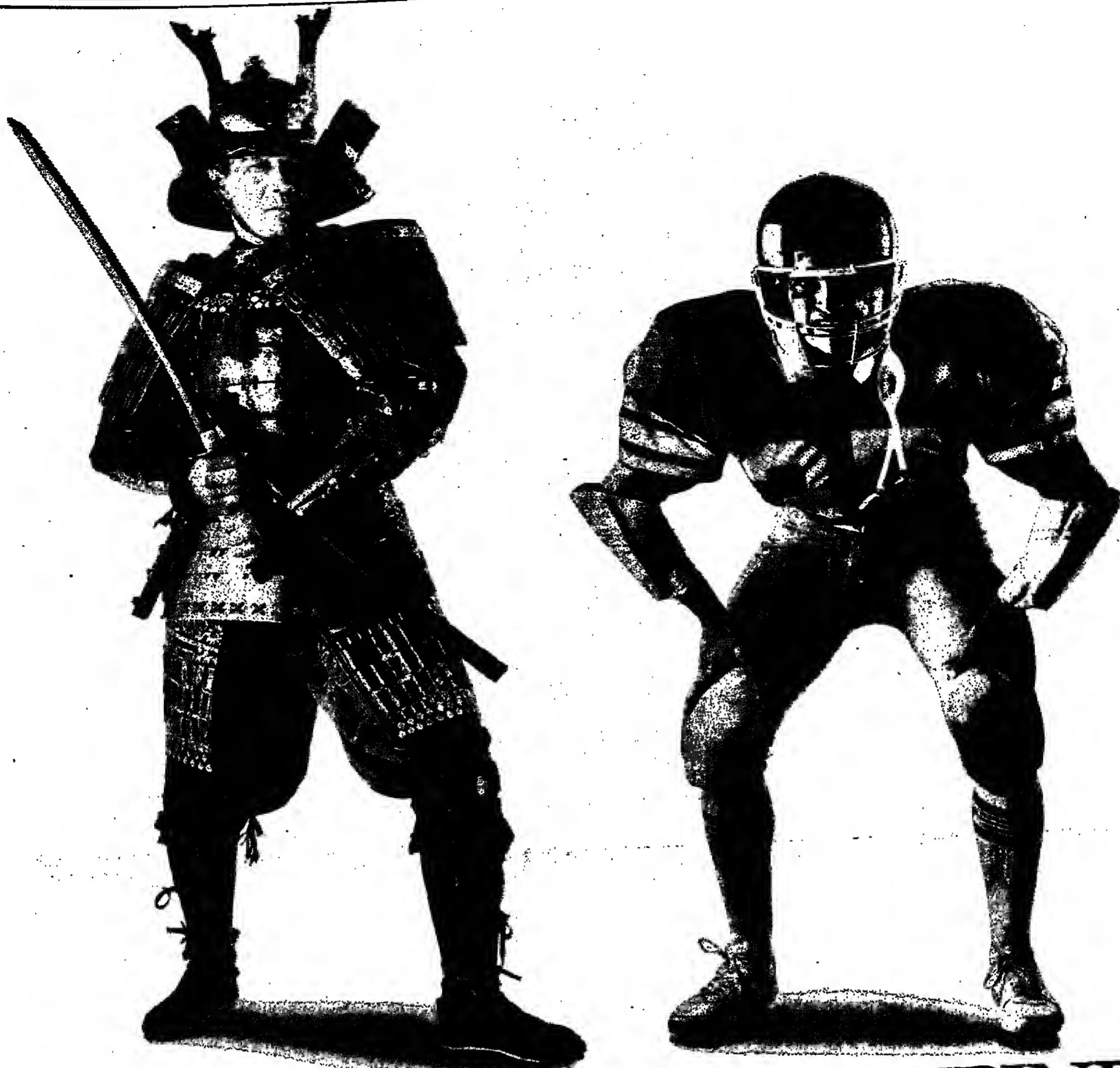
Cobham Excellent office building 6,100 sq. ft. Well equipped throughout. On-site car parking. Lease for sale. Guildford 3,420 sq. ft. high specification new ground floor office suite to let. Car parking. Rent £29,500 pax. Guildford Superb first floor office suite, 2,440 sq. ft. Central location. Lease for sale. Guildford 3,090 sq. ft. modern purpose-built office building. Amenities include 7 car parking spaces. Rent £20,000 pax. For further details contact MESSINGER MAY BAVERSTOCK COMMERCIAL, 242 High Street, Guildford, Surrey GU1 3SE. Tel: 0432 32181

TO LET No. 11 G. GRACECHURCH ST. LONDON EC3 LENNON & Company 01-283 4181

Investments For Sale 100% IBAS with rent guarantee in South London. Phone: 01-701 1999/5199

GUERNSEY OFFICE FACTORY/WAREHOUSE 24,000-60,000 SQ FT. Modern insulated, masonry building. Gorge de la Looz under £2 pa. Purchase option. Ideal investment in UK. Telephone Guernsey Trust on Guernsey 711147

Handwritten text in Arabic script: كتاب الأجل



IT WILL TAKE OUR COMBINED STRENGTH TO DEFEAT ADVERSARIES SUCH AS THESE.

The international drinks industry is the lair of titans.

Anheuser Busch, Seagrams, Kirin, Suntory. These are the giants that will be fighting to dominate the drinks business in tomorrow's world.

And as each has its own thriving domestic brands, they won't be wearing Scotland's favours in battle.

So, if Scotch Whisky is to continue to compete, it needs a strong champion of its own.

It is for this reason, more than any other, that our offer for Distillers makes so much sense.

Our joint enterprise will give Britain a representative amongst the top four of the international drinks business.

It is also a rare dovetail of corporate talents.

On the one hand, Distillers have an unrivalled range of world famous brands.

On the other, we at Guinness have a management team with unrivalled experience in the international marketing of prestige drinks.

By careful targetting we can position our household names to complement one another, rather than compete.

Britain's recent industrial history is a catalogue of international opportunities missed.

Help us redress the balance. Support the Guinness Distillers bid.

GUINNESS PLC

Guinness and Distillers. A stroke of genius.

This advertisement is published by Morgan Grenfell & Co Limited and The British Linen Bank Limited on behalf of Guinness PLC. The Directors of Guinness PLC are the persons responsible for the information contained in this advertisement. To the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in this advertisement is in accordance with the facts. The Directors of Guinness PLC accept responsibility accordingly.

THE ARTS

New Issue January 30, 1986

Federal Farm Credit Banks Consolidated Systemwide Bonds

7.75% \$1,000,000,000
CUSIP NO. 313311 PS 5 DUE AUGUST 1, 1986
Interest on the above issue payable at maturity

Dated February 3, 1986 Price 100%

The Bonds are the joint and several obligations of The Thirty-seven Federal Farm Credit Banks and are issued under the authority of the Farm Credit Act of 1971. The Bonds are not Government obligations and are not guaranteed by the Government.

Bonds are Available in Book-Entry Form Only.

Federal Farm Credit Banks Funding Corporation

90 William Street, New York, N.Y. 10038
Peter J. Garvey President

This announcement appears as a matter of record only.

Arts Week

F | S | Sa | M | Tu | W | Th
31 | 1 | 2 | 3 | 4 | 5 | 6

Opera and Ballet

LONDON
English National Opera, Coliseum: Jonathan Miller's curious "drama-in-the-library" production of *The Magic Flute*, first put on by Solti's Opera, is now taken on at the Coliseum, with only a single member of the original cast, Benjamin Luxon as a wonderfully warm, intelligent and funny Papageno. Peter Robinson conducts, and Malvina Devis, Susan Bullock, Sean Baz and Nan Christie take other leading roles. Further performances of the largely disappointing *Rossini Moses*, in a clumsily updated production by Keith Warner, and not very well sung, but still worth attending for the splendour of the work itself. (5383161)

Royal Opera House, Covent Garden: *Le Fils et le jardin* with Fernando Eufonios as guest artist - an event of more than passing interest.

PARIS
Le Traviata alternates with a Ballet Spectacle, *Un Jour en Danse*, in Merce Cunningham's choreography, and Washington Square in Rudolf Nureyev's choreography. Paris Opera (4742578).

Sacred Dance of Bealife, Children

dressed up, made up, crowned with flowers: set and dance episodes of Krishna's life. *Maison des Cultures du Monde*, 101 Bd Raspail (4544720).

WEST GERMANY
Berlin, Deutsche Oper: Don Giovanni, conducted by Eulrich Holtriser, has fine interpretations by Lucy Pesock, Lenos Carlson and Donald Grobe. Die Jagden, Weber von Winder is a well done repertoire performance. The cast includes Patricia Johnson, Gudrun Sieber, Norma Sharp and Gunter von Kannen. Lucia di Lammermoor has Angela Denning in the title role.

VIENNA
Stasoper Die Kinderstube with Leiswig Groberer, Weikl; The Sleeping Beauty with choreography by Nureyev conducted by Richter. (53242655)

NEW YORK
New York City Ballet (NY State Theatre): The repertoire of mixed programmes this week includes a world premiere with Slaughter on Tenth Avenue, A Midsummer Night's Dream and Fancy Free. Lincoln Center (7105379).

NETHERLANDS
Eindhoven, Schouwburg: Noon of the plant from the Shinkas and Dornm Dance Theatre (Tue), (111122).

SPAIN
Barcelona: Lohengrin starring Siegfried Jerusalem, Pilar Lorengar, Franz Ferdinand Neuwig, Eva Bar-

celona conducted by Christof Perick. Gran Teatre del Liceu, Sant Pau 1. (Thur), (5182177).

VIENNA
Stasoper Die Kinderstube with Leiswig Groberer, Weikl; The Sleeping Beauty with choreography by Nureyev conducted by Richter. (53242655)

NEW YORK
New York City Ballet (NY State Theatre): The repertoire of mixed programmes this week includes a world premiere with Slaughter on Tenth Avenue, A Midsummer Night's Dream and Fancy Free. Lincoln Center (7105379).

NETHERLANDS
Eindhoven, Schouwburg: Noon of the plant from the Shinkas and Dornm Dance Theatre (Tue), (111122).

SPAIN
Barcelona: Lohengrin starring Siegfried Jerusalem, Pilar Lorengar, Franz Ferdinand Neuwig, Eva Bar-

Music

LONDON
London Philharmonic Orchestra, conducted by Klaus Tennstedt, with Renata Lupo, piano, Schumann, Royal Festival Hall (Mon), (2283191).

VIENNA
Stasoper Die Kinderstube with Leiswig Groberer, Weikl; The Sleeping Beauty with choreography by Nureyev conducted by Richter. (53242655)

NEW YORK
New York City Ballet (NY State Theatre): The repertoire of mixed programmes this week includes a world premiere with Slaughter on Tenth Avenue, A Midsummer Night's Dream and Fancy Free. Lincoln Center (7105379).

NETHERLANDS
Eindhoven, Schouwburg: Noon of the plant from the Shinkas and Dornm Dance Theatre (Tue), (111122).

SPAIN
Barcelona: Lohengrin starring Siegfried Jerusalem, Pilar Lorengar, Franz Ferdinand Neuwig, Eva Bar-

berg Ensemble. Mon in Eindhoven. POC, Wed in Maastricht, Rotterdam, Strasbourg, Karlsruhe in The Hague, Nieuwe Kerk. (020-521595).

VIENNA
Stasoper Die Kinderstube with Leiswig Groberer, Weikl; The Sleeping Beauty with choreography by Nureyev conducted by Richter. (53242655)

NEW YORK
New York City Ballet (NY State Theatre): The repertoire of mixed programmes this week includes a world premiere with Slaughter on Tenth Avenue, A Midsummer Night's Dream and Fancy Free. Lincoln Center (7105379).

NETHERLANDS
Eindhoven, Schouwburg: Noon of the plant from the Shinkas and Dornm Dance Theatre (Tue), (111122).

SPAIN
Barcelona: Lohengrin starring Siegfried Jerusalem, Pilar Lorengar, Franz Ferdinand Neuwig, Eva Bar-

Are your computers working for you? Or against you?

Did you know that companies which lag behind in the use of Information Technology are six times more likely to have a poor financial performance within their industrial sector than the companies which have readily adopted IT?

That was one of the key findings of a survey published by Management Consultants, A.T. Kearney Ltd.

The report predicted that over the next 12 months British industry would waste £800 million of its total IT expenditure - by choosing the wrong system, installing too much capacity or by applying IT to inappropriate business areas.

Yet IT is a powerful management tool - providing the means of improving efficiency, enhancing customer service and, above all, increasing productivity.

Hoskyns specialises in harnessing that power to secure defined business objectives.

Indeed, it is our commitment to improving productivity for our clients that has helped us to become one of the most successful computer services organisations in the world today.

Our client list reads like an international "Who's Who" in business - and includes 90 of The Times Top 100 UK companies.

In 1985 alone our achievements were noteworthy.

For example, we implemented a financial control system that reduced one company's accounting budget by £6 million.

We enabled another to enter a new market where operational speed and efficiency were crucial.

And helped yet another to reduce its data processing budget by one third, whilst maintaining the service to users.

To add to that, 1986 has already seen a client voted "User of the Year" at the Recognition of Information Technology Achievement Awards. The system we introduced not only paid for itself in

under 18 months, but reduced inventory costs by more than one third and saved an additional £500,000 in operational costs during the first year.

Whether Hoskyns is supplying consultancy, building tailor-made systems, implementing standard application products, controlling key projects, providing education and training, or managing a complete DP facility, our brief remains the same: to deliver the right computer solutions, on time and on budget.

And, with a thorough understanding of your business goals, to exploit the power of Information Technology to increase the productivity of your business.

If you believe IT can improve productivity in your organisation, Hoskyns can help.

Call Geoff Urwin, Managing Director, on 01-434 2171. Or write to him at Hoskyns Group Limited, Hoskyns House, 130 Shaftesbury Avenue, London W1V 7DN.

hoskyns

WE'LL MAKE COMPUTERS WORK FOR YOU

Theatre

LONDON
The Scarlet Pimpernel (Her Majesty's): Donald Sinden in resplendent plumage as Sir Harry Bushyongue, O'Connell as the French Revolution. Opera director Nicholas Hytner's efficient and sparkling production has some, tumblers, rat stew and rolling heads. (3404025)

NEW YORK
New York City Ballet (NY State Theatre): The repertoire of mixed programmes this week includes a world premiere with Slaughter on Tenth Avenue, A Midsummer Night's Dream and Fancy Free. Lincoln Center (7105379).

NETHERLANDS
Eindhoven, Schouwburg: Noon of the plant from the Shinkas and Dornm Dance Theatre (Tue), (111122).

SPAIN
Barcelona: Lohengrin starring Siegfried Jerusalem, Pilar Lorengar, Franz Ferdinand Neuwig, Eva Bar-

id Hersey, Colm Wilkinson superb as Jean Valjean. A melodramatic distillation of Hugo, and none the worse for that. The French score is rousing, melodic, with serviceable new lyrics from Herbert Kretzmer. (4378894)

NEW YORK
New York City Ballet (NY State Theatre): The repertoire of mixed programmes this week includes a world premiere with Slaughter on Tenth Avenue, A Midsummer Night's Dream and Fancy Free. Lincoln Center (7105379).

NETHERLANDS
Eindhoven, Schouwburg: Noon of the plant from the Shinkas and Dornm Dance Theatre (Tue), (111122).

SPAIN
Barcelona: Lohengrin starring Siegfried Jerusalem, Pilar Lorengar, Franz Ferdinand Neuwig, Eva Bar-

WASHINGTON
National Symphony (Concert Hall): Yehudi Menuhin conducting, Schubert, Saint-Saens (Tue); Yehudi Menuhin conducting, Andre-Michel Schuch, piano. All-Brahms programmes (Thur), Kennedy Center (2543776).

CHICAGO
Chicago Symphony (Orchestra Hall): Leonard Slatkin conducting, Ivo Pogorelich, piano. Schumann, Prokofiev, Barber, W. Schumann (Thur), (4559122).

NEW YORK
New York City Ballet (NY State Theatre): The repertoire of mixed programmes this week includes a world premiere with Slaughter on Tenth Avenue, A Midsummer Night's Dream and Fancy Free. Lincoln Center (7105379).

NETHERLANDS
Eindhoven, Schouwburg: Noon of the plant from the Shinkas and Dornm Dance Theatre (Tue), (111122).

SPAIN
Barcelona: Lohengrin starring Siegfried Jerusalem, Pilar Lorengar, Franz Ferdinand Neuwig, Eva Bar-

WASHINGTON
National Symphony (Concert Hall): Yehudi Menuhin conducting, Schubert, Saint-Saens (Tue); Yehudi Menuhin conducting, Andre-Michel Schuch, piano. All-Brahms programmes (Thur), Kennedy Center (2543776).

CHICAGO
Chicago Symphony (Orchestra Hall): Leonard Slatkin conducting, Ivo Pogorelich, piano. Schumann, Prokofiev, Barber, W. Schumann (Thur), (4559122).

NEW YORK
New York City Ballet (NY State Theatre): The repertoire of mixed programmes this week includes a world premiere with Slaughter on Tenth Avenue, A Midsummer Night's Dream and Fancy Free. Lincoln Center (7105379).

NETHERLANDS
Eindhoven, Schouwburg: Noon of the plant from the Shinkas and Dornm Dance Theatre (Tue), (111122).

SPAIN
Barcelona: Lohengrin starring Siegfried Jerusalem, Pilar Lorengar, Franz Ferdinand Neuwig, Eva Bar-

WASHINGTON
National Symphony (Concert Hall): Yehudi Menuhin conducting, Schubert, Saint-Saens (Tue); Yehudi Menuhin conducting, Andre-Michel Schuch, piano. All-Brahms programmes (Thur), Kennedy Center (2543776).

CHICAGO
Chicago Symphony (Orchestra Hall): Leonard Slatkin conducting, Ivo Pogorelich, piano. Schumann, Prokofiev, Barber, W. Schumann (Thur), (4559122).

Continued on Page 17

مكتبة الأمل

FINANCIAL TIMES BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3DF

Telephone: 01-248 8000

Jobs, pay and politics

YESTERDAY'S awful unemployment figures are a sharp reminder of the central challenge facing the Thatcher Government: the creation of jobs.

The most recent surge in unemployment is put into a depressing context by the OECD's latest report on the British economy, published yesterday.

Inflation It is depressing that Britain should still be regarded abroad as a country exceptionally prone to inflation and with a labour market that barely works at all.

Disinterested economists in Paris regard the UK's labour market as a bizarre laboratory specimen.

Consequences of deregulation

IT IS increasingly fashionable to challenge the old view that certain major industries, notably telecommunications, quality on economic and social grounds as "natural" monopolies.

Deregulation of the US telecommunications market — and liberalisation measures in Britain and Japan — have been inspired by the costs of a high technology industry.

Policy shifts It is still far from certain, though, that free competition in telecommunications will in the long haul prove any more "natural" a state than monopoly is deemed to be in many countries today.

Telecommunications monopolies the world over have, largely for social policy reasons, charged services to residential subscribers at — or well below — the cost of providing them.

AFTER the successful \$297m sale of the Jaguar luxury car business 18 months ago, BL directors find themselves under pressure from the UK government to return as much of the state-owned group as possible to the private sector before the next general election.

Looking through the list of subsidiaries, the directors must have thought that, whatever else they could sell off, Leyland Vehicles, the truck and bus business, was an unlikely candidate.

Surely nobody would be interested in heavy truck factories in the far north of Britain at a time when the industry's worldwide excess capacity is about 40 per cent and most European producers have been sustaining big financial losses.

Who would want a business which is among the major loss-makers? Leyland ends with a net loss of £50m and an accumulated deficit of nearly £500m.

Yet, there now seems to be a possibility that it will have the opportunity to divest itself of Leyland Vehicles.

General Motors, the world's largest automotive group, is believed to be considering buying Leyland, and to Bedfords, its commercial vehicle subsidiary in Britain.

The disposal would leave Leyland, which 90 years ago was by far the largest trucking company in Western Europe, with only two wholly British-owned producers: ERF and Hestair-Dennis.

The issue could be further complicated if GM decided to take the whole of BL's commercial vehicle business — including the Land Rover organisation.

Let Rover be another company which is being through difficult times. It ended 1984 with a net loss of £4.7m and an accumulated deficit of £53.2m.

Yet the company's image in Britain remains, if anything, better than Leyland's. Some observers argue there would be no shortage of potential customers even if the Rover should decide to sell the company as a separate entity.

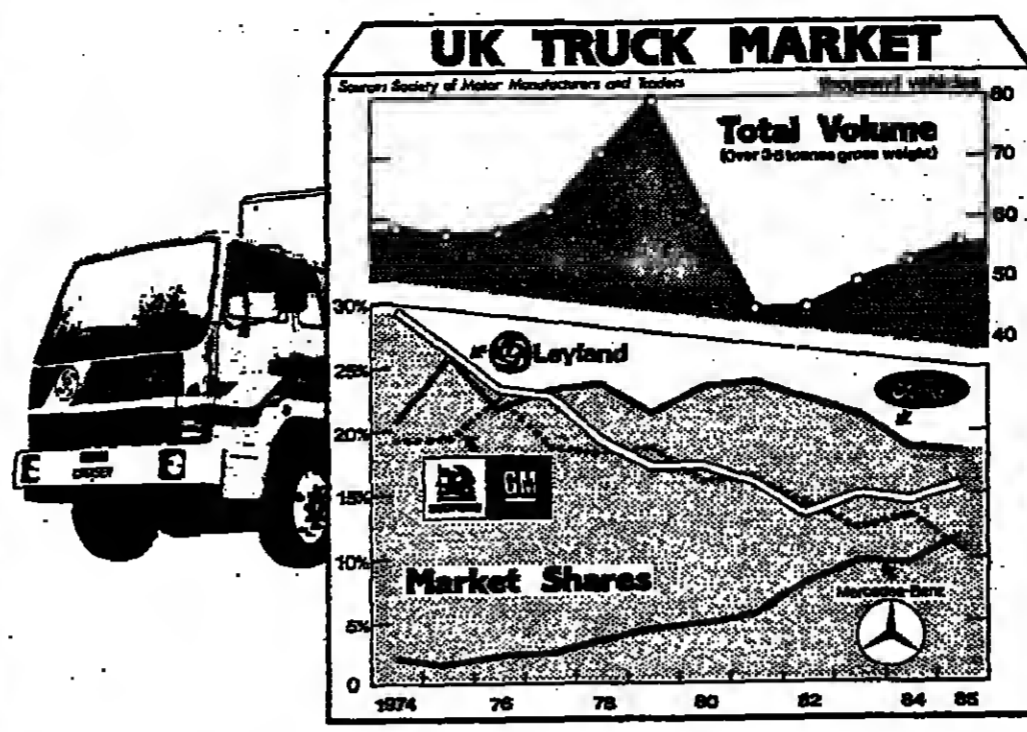
But things look very different once former monopolies respond by reducing long-distance tariffs, raising local charges and cutting costs.

In the longer run, much may depend on whose costs are the highest. AT&T has long been accused of being the high-cost operator by its smaller competitors.

Indeed, as incentives for entrants to participate in the market diminish, there is a possibility of reversion to a monopoly — or at least for the emergence of a de facto cartel of a few established suppliers — may begin to reassert themselves.

It is always possible that tending competition would tend in time to blunt the need for tight cost control by those suppliers left in the market.

The other conclusion is that there is a vital and probably permanent role for regulatory policy. As policymakers in both the US and Britain are already finding, they cannot just set rules designed to let competition flourish and then stand back.



Why GM has its eye on Leyland

By Kenneth Gooding, Motor Industry Correspondent

where in the world from commercial vehicles produced in large quantities by Bedford and GM subsidiaries in the US and Brazil, as well as by GM's Japanese associate, Isuzu.

GM's interest raises important questions

but the drop into losses has been dramatic: its 1984 net loss was \$22.4m.

GM at that stage already had reorganised its heavy commercial vehicle operations into a "world truck and bus" group, with its headquarters at Pontiac, Michigan.

After seven years of on-off negotiations with Cuban trade officials they have succeeded in putting together a five-year trade accord that will substantially help Cuba and Britain sell more to each other.

Men and Matters

Rum deal Lords Selston and Walston, Conservative and Labour peers respectively, have cause to be smiling today.

The deal is worth £350m. Britain will take some £200m of Cuban goods, while Cuba will buy £150m of British exports.

The talking began seven years ago when the two peers visited Cuba to discuss the idea of improving trade.

Economic problems in both countries, and the emerging international debt crisis, got in the way of creating a workable bilateral trade programme, however.

Initial attack To the nuclear industry, BNF means British Nuclear Forum, its trade association, whose members include such occasional targets of public opprobrium as the Atomic Energy Authority, British Nuclear Fuels and the CGBR.

where in the world from commercial vehicles produced in large quantities by Bedford and GM subsidiaries in the US and Brazil, as well as by GM's Japanese associate, Isuzu.

GM's interest raises important questions

but the drop into losses has been dramatic: its 1984 net loss was \$22.4m.

GM at that stage already had reorganised its heavy commercial vehicle operations into a "world truck and bus" group, with its headquarters at Pontiac, Michigan.

After seven years of on-off negotiations with Cuban trade officials they have succeeded in putting together a five-year trade accord that will substantially help Cuba and Britain sell more to each other.

where in the world from commercial vehicles produced in large quantities by Bedford and GM subsidiaries in the US and Brazil, as well as by GM's Japanese associate, Isuzu.

GM's interest raises important questions

but the drop into losses has been dramatic: its 1984 net loss was \$22.4m.

GM at that stage already had reorganised its heavy commercial vehicle operations into a "world truck and bus" group, with its headquarters at Pontiac, Michigan.

After seven years of on-off negotiations with Cuban trade officials they have succeeded in putting together a five-year trade accord that will substantially help Cuba and Britain sell more to each other.

where in the world from commercial vehicles produced in large quantities by Bedford and GM subsidiaries in the US and Brazil, as well as by GM's Japanese associate, Isuzu.

GM's interest raises important questions

but the drop into losses has been dramatic: its 1984 net loss was \$22.4m.

GM at that stage already had reorganised its heavy commercial vehicle operations into a "world truck and bus" group, with its headquarters at Pontiac, Michigan.

After seven years of on-off negotiations with Cuban trade officials they have succeeded in putting together a five-year trade accord that will substantially help Cuba and Britain sell more to each other.

where in the world from commercial vehicles produced in large quantities by Bedford and GM subsidiaries in the US and Brazil, as well as by GM's Japanese associate, Isuzu.

GM's interest raises important questions

but the drop into losses has been dramatic: its 1984 net loss was \$22.4m.

GM at that stage already had reorganised its heavy commercial vehicle operations into a "world truck and bus" group, with its headquarters at Pontiac, Michigan.

After seven years of on-off negotiations with Cuban trade officials they have succeeded in putting together a five-year trade accord that will substantially help Cuba and Britain sell more to each other.

DOUGLAS ROBERT M. DOUGLAS HOLDINGS PLC Civil Engineering and Building Contractors INTERIM STATEMENT 1986

A VERY intelligent German who used to live in London came back the other day to try to find out what was going on. Was it, as he seemed rather to assume, the end of the Thatcher revolution, the end of another British dream, like Harold Wilson's technological revolution, Edward Heath's "problems of success" and Margaret Thatcher's "politics of conviction"?

Politics Today

Maybe the Thatcher revolution is complete

By Malcolm Rutherford

Is there, he wondered, a cycle in British politics that suggests that, however promising the start, in the end no government ever quite makes it?

The short answer to his questions is "no." The longer answer is more nuanced. To start with the Prime Minister: was there a Thatcher revolution? The answer is "yes," but it is under way before she came to power in 1979. There is a certain continuity in British politics which consists of going on trying to cope with unresolved problems. The problems include coming to terms with a much reduced role in the world and with the European Community, which Britain should have joined at its inception. There were also certain residual colonial problems: Rhodesia, for example. Then there were the economic problems and the economic decline compared with its natural antagonists: France and West Germany. Not least, there was the problem of trade union power, which seemed capable at times of bringing down governments. Labour and Conservative alike. The list is not exhaustive.

Mr. Thatcher was not the first Prime Minister to have to confront these difficulties. The man Mr Wilson sought to curb trade union power in the late 1940s, was backed by Mrs Barbara Castle with her proposals for "In Place of Strife," and was hindered by Mr James Callaghan, who eventually became his successor and was ironically brought down, more than any other economic policy in the mid-1970s when Mrs Thatcher became leader of the Conservative Party and the International Monetary Fund was called in to advise on the British economy. In many ways the two men went together: there was a mutual recognition that the conduct of the economy could not be allowed to go on as it had.

When Mr Callaghan succeeded Wilson in 1976, he faced out to be a surprisingly good Prime Minister presiding over a brief period of considerable tranquility in British affairs. He relied, however, on a prices and incomes policy based on co-operation with the unions. In the longer-run, that co-operation was not forthcoming and ultimately the unions defeated him.

Because of his anxiety about rising unemployment, Heath changed his economic policy to a more interventionist stance. Halfway through this argument about how far a government should intervene in industry has hammed the Tory Party ever since: witness the underlying reason for the resignation of Mr Michael Heseltine as Secretary of State for Defence. It is not, incidentally, peculiar to the Tories. The differences between the parties are not within the parties, but within the economy. Heath fell because of his inability to deal with the miners' strike in the winter of 1973-74. That, too, left a haunting memory.

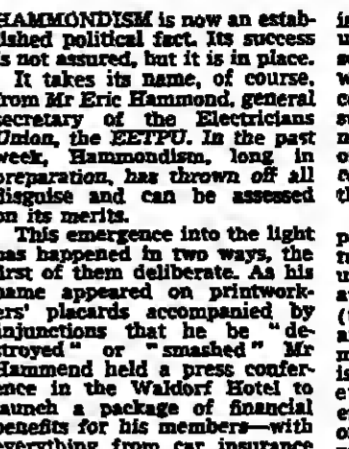
Signs of more radical change came in the mid-1970s when Mrs Thatcher became leader of the Conservative Party and the International Monetary Fund was called in to advise on the British economy. In many ways the two men went together: there was a mutual recognition that the conduct of the economy could not be allowed to go on as it had.

When Mr Callaghan succeeded Wilson in 1976, he faced out to be a surprisingly good Prime Minister presiding over a brief period of considerable tranquility in British affairs. He relied, however, on a prices and incomes policy based on co-operation with the unions. In the longer-run, that co-operation was not forthcoming and ultimately the unions defeated him.

Lombard

A market-based trade union

By John Lloyd



Ashley Ashwood

HAMMONDISM is now an established political fact. Its success is not assured, but it is in place. It takes its name, of course, from Mr Eric Hammond, general secretary of the Electricians Union, the EETPU. In the past week, Hammond has long in preparation, has thrown off all disguise and can be assessed on its merits.

This emergence into the light has happened in two ways. The first of them deliberative, his name appeared on printworkers' placards accompanied by injunctions that he be "destroyed" or "smashed". Mr Hammond held a press conference in the Waldorf Hotel to launch a package of financial benefits for his members—with everything from car insurance to investment advice. The union now does much more than offer a collective bargaining service and a union card (which can be essential in the many close shops which it still operates), it also offers to take care of most financial transactions its members may make.

Manufacturing industry

From Professor Wynne Godley
Sir—Geoffrey Maynard (January 29) is right to say that it does not matter that the balance of trade in manufactures is at present in deficit. But the argument that poor trading performance by manufacturing industry will have serious consequences for the British economy if it continues has nothing at all to do with the balance of trade. The cause for concern derives, not from the difference between exports and imports, but from the difference between the growth of exports and the growth of import penetration (ie imports relative to domestic production).

Annual average 1980-79 1979-85 % increase 1985 (est)
Real GDP (in oB) 2.8 1.2
Manufacturing output 1.9 -1.0
Manufactured imports (vol) 9.0 8.7
Manufactured exports (vol) 4.7 1.8
As the table implies, import penetration rose rapidly relative to exports between 1980 and 1985. The process has continued since 1979 (although 1985 has been a good year). The strategic problem, entirely missed by Geoffrey Maynard, is that if these adverse trends continue, a growth rate large enough to stabilise unemployment (let alone reduce it) will generate a growing deficit in manufactures and all combined which the other components of the balance of payments (including property income) will not be able to cover indefinitely.

Letters to the Editor

Balance in the dairy market
From Mr F. Jackson
Sir—In your leading article (January 30) on the Touché Ross investigation of the Milk Marketing Board, you suggest that the report "accuses the MMB of keeping the prices it charges processors too high in order to favour the dairy farmers who own it." This may have given readers the impression that the MMB has the power to fix prices which dairy processors pay. That is not the case.

Responsibility of accountants
From Mr A. Pakenham-Walsh
Sir—We should be grateful to Mr J. L. Foster (January 18) for putting forward a case for legally mandatory accounting standards.

Taxation in Japan
From Mr B. Thorne
Sir—I rather doubt whether Mr Takashita, the Japanese Finance Minister, and his colleagues need the encouragement offered in the Lombard column on January 24. They have an excellent record in defending their country's interests.

Foundry capacity
From Mr T. Barber
Sir—In your report (January 23) on the closure of the Steel Line Metals subsidiary of Birmid Qualcast, you made reference to the foundry being "the only one left in the UK able to produce cylinder blocks for high-speed diesel engines such as that used on trucks and farm and construction equipment." The obvious inference being that (after closure) this capability would no longer exist in the UK.

Keep Sunday special
From Dr M. Schluter
Sir—The deputy director of the National Consumer Council may be forgiven for confusing the Keep Sunday Special Campaign (January 25). The coalition met last summer to examine legal alternatives to total deregulation. Its findings were published. All its members believe their proposals are "acceptable, enforceable and preferable both to the existing law and total deregulation." They represent one possible way forward.

The Rank Organisation 1985

	1985	1984
Profit before tax	£137.0m	£105.3m
Earnings per share	36.0p	27.7p
Ordinary dividend	15.0p	12.0p
Net debt	£28.3m	£146.1m

* Profit before tax +30%
* Earnings per share +30%
* Dividend +25%

Another year of progress

The 1985 Report & Accounts will be posted to shareholders on 17th February 1986. Copies may be obtained from the Secretary, The Rank Organisation Plc, 8 Connaught Place, London W1R 8EZ.

Balance in the dairy market
From Mr F. Jackson
Sir—In your leading article (January 30) on the Touché Ross investigation of the Milk Marketing Board, you suggest that the report "accuses the MMB of keeping the prices it charges processors too high in order to favour the dairy farmers who own it." This may have given readers the impression that the MMB has the power to fix prices which dairy processors pay. That is not the case.

Responsibility of accountants
From Mr A. Pakenham-Walsh
Sir—We should be grateful to Mr J. L. Foster (January 18) for putting forward a case for legally mandatory accounting standards.

Taxation in Japan
From Mr B. Thorne
Sir—I rather doubt whether Mr Takashita, the Japanese Finance Minister, and his colleagues need the encouragement offered in the Lombard column on January 24. They have an excellent record in defending their country's interests.

Foundry capacity
From Mr T. Barber
Sir—In your report (January 23) on the closure of the Steel Line Metals subsidiary of Birmid Qualcast, you made reference to the foundry being "the only one left in the UK able to produce cylinder blocks for high-speed diesel engines such as that used on trucks and farm and construction equipment." The obvious inference being that (after closure) this capability would no longer exist in the UK.

Keep Sunday special
From Dr M. Schluter
Sir—The deputy director of the National Consumer Council may be forgiven for confusing the Keep Sunday Special Campaign (January 25). The coalition met last summer to examine legal alternatives to total deregulation. Its findings were published. All its members believe their proposals are "acceptable, enforceable and preferable both to the existing law and total deregulation." They represent one possible way forward.

WOLSELEY HUGHES logo with text: From Norwich to Nashville we're growing from strength to strength. Major distributors of heating and plumbing materials in U.K. and U.S.A. Farm machinery, Engineering, Plastics.

SECTION II - COMPANIES AND MARKETS
FINANCIAL TIMES

Friday January 31 1986

SHEERFRAME logo with text: Britain's largest producer of uPVC window and door systems. Sole manufacturers and partners: L. B. Piscetta Limited, The Works, Heather House, Derby DE5 2AA. Tel: 077383 2311. Telex: 377889

Xerox ends strong year with doubled final quarter profit

By William Hall in New York

XEROX, the US office equipment group, more than doubled its income from continuing operations in its fourth quarter to \$112m or \$1.04 a share, ending what company chief executive Mr David Kearns called 'a year of major strides.'

Time Inc cuts jobs as earnings plunge

By our financial staff

TIME INC, the largest US magazine publisher, yesterday reported a 23 per cent fall in fourth-quarter profits and announced plans for a 5 per cent cut in jobs at its magazine group.

People Express issues warning of fourth-quarter setback

By our New York staff

PEOPLE EXPRESS, the fast-growing US airline, yesterday upset Wall Street analysts by announcing that its fourth-quarter losses would be higher than expected.

OIAG co-operates to form trading company

By Patrick Blum in Vienna

METALLGESELLSCHAFT of West Germany and Louis Dreyfus of France have agreed to establish a new major trading company in Austria in co-operation with OIAG, holding company for the country's nationalised industries.

Elin Union set to buy Felten

By our Vienna correspondent

THE BOARD of Elin Union, the Austrian state-owned electrical group, has approved Sch 750m (940m) financing to clear the way for the purchase of Felten-Gullmau Elektro-technik, a subsidiary of Philips Koninkrijk.

Fleet owners' problems dent hopes of riding out the storm, writes David Dodwell
Shipping crisis rocks Hong Kong boats

THIS has been a bitter week for Mr Frank Chao, chairman of Wah Kwong, the faltering group that is Hong Kong's third largest shipper. It has been bitter less because he has been forced to seek a rescue from the company's bankers...

owe 70 creditor banks about US\$2.4bn. Among other shippers to admit serious troubles, the Jardine Matheson group last year decided to withdraw from shipping after making provisions amounting to HK\$355m against its shipping interests.

Olivetti up 20% at year-end

By Kevin Done, Nordic Correspondent, in Stockholm

OLIVETTI of Italy, Europe's leading manufacturer of office information equipment, increased its after-tax profits in 1985 by around 20 per cent to more than \$250m.

Banks consider future of Hapag-Lloyd stake

By Rupert Cornwell in Bonn

DEUTSCHE and Dresdner Banks, the two dominant shareholders in Hapag-Lloyd, indicated yesterday that they have not taken a final decision on whether to dispose of all or part of their combined stake of nearly 80 per cent in the West German shipping company.

Akzo lifts dividend as surplus increases

By our financial staff

AKZO, the Dutch chemical group, reports a strong rise in profits for 1985 and is stepping up its dividend from FI 6 a share to FI 6.60.

Kvaerner tops forecasts

By Fay Gjester in Oslo

KVAERNER, the Norwegian ship-building, heavy engineering and offshore fabrication group, reported better-than-expected profits for 1985 following high earnings during the last four months of the year.

CRA moves point to link with Germany

By our Bonn correspondent

SPECULATION that a link up between CRA, the Australian natural resources concern, and the steel divisions of the Krupp and Klockner groups is again rife in West Germany...

Bosch forms joint venture with Philips

By our Bonn correspondent

ROBERT BOSCH, the West German motor components and electrical group, is setting up a joint subsidiary with Philips of the Netherlands to concentrate their forces in the television studio equipment business.

SAS to buy franchise

By Kevin Done in Stockholm

SAS, the Scandinavian airline, has signed an agreement in principle to buy the franchise for the Diners Club credit card in the five Nordic countries.

Large advertisement with cartoon eyes and text: There's only one way to look at Amer's year end results. Ever upwards. That's the only way to describe the direction of the Amer Group. Our year end results for the year 1st September 1984 to 31st August 1985 were announced recently and show net sales up 184%, net profit up 52%...

DAIWA EUROPE LIMITED

JAPANESE EQUITY WARRANTS SERVICE. Table with columns: ISSUER-Warrant expiry date, Current Market Price, and Other Calculations. Lists various Japanese companies like AICA KOBYO, AJINOMOTO, etc.

NMB BANK. Nederlandsche Middenstandsbank nv. U.S.\$100,000,000 Floating Rate Notes due 1992. In accordance with the provisions of the Notes, notice is hereby given that for the six months period, 31st January, 1986 to 31st July, 1986, the Notes will bear interest at the rate of 8 1/2% per cent. per annum.

INTL. COMPANIES & FINANCE

Bethlehem Steel drops payout as losses mount

BY OUR NEW YORK STAFF. BETHLEHEM STEEL, the third-largest US steel company, is to slash capital expenditure and omit its dividend for the second time in succession after running up losses of \$190m last year. The performance of the Pennsylvania-based group shows a considerable deterioration during 1985.

Swiss extend forward trading

By William Duffner in Geneva. THE ZURICH and Geneva stock exchanges are extending forward trading to Swiss bank and insurance company shares from next Monday in response to the accelerating internationalisation of financial markets.

Gaz Métropolitain, inc. (Incorporated in the Province of Quebec) Canadian \$20,000,000 17 1/2% Debentures due October 15, 1990. Canadian \$40,000,000 14 1/2% Debentures due December 1, 1992.

SGS profit forecast for 1986. By Alan Friedman in Agrate. SGS, Italy's leading micro-electronics company, said yesterday it expected to remain in loss for most of the first half of this year, but to close 1986 with a return to profit.

BCE returns strong results for year. By Robert Gibbins in Montreal. BELL CANADA Enterprises (BCE) has become the first Canadian public company to achieve annual profits of more than C\$1bn.

The position is entirely different today. Bank shares are also more widely dispersed, fluctuations in prices are less sharp and the market as a whole is much more liquid.

BASE LENDING RATES. Table listing various banks and their lending rates for different terms and currencies.

U.S. \$500,000,000 CITICORP. Subordinated Floating Rate Notes Due January 30, 1988. Notice is hereby given that the rate of interest has been fixed at 8 1/2%.

Wells Fargo International Financing Corporation N.V. U.S. \$50,000,000 Guaranteed Floating Rate Subordinated Notes due 1996. In accordance with the provisions of the Notes, notice is hereby given that for the interest sub-period 31st January, 1986 to 30th February, 1986, the Notes will carry an interest rate of 8 1/2% per annum.

WORLD STOCK MARKET. CHECK EVERY DAY IN THE FT. Table listing various international stock markets and their performance.

SKIS ROSSIGNOL expects 10% rise in earnings. By Paul Betts in Paris. SKIS ROSSIGNOL, the French ski and sports equipment manufacturer, expects earnings to rise between 10 per cent and 15 per cent in the fiscal year from April 1986 to March 1987.

On the bigger Zurich stock exchange, forward trading in shares is still limited to maturities of three months. The stock exchange board evidently feared that dealers, who already handle a much larger turnover than the other exchanges, would not be able to cope with the extra volume.

Federal Business Development Bank / Banque fédérale de développement. 8 3/4% Notes Due February 18, 1993. The following have agreed to subscribe or procure subscribers for the Notes: Credit Suisse First Boston Limited, Banque Bruxelles Lambert S.A., Citicorp Investment Bank Limited, etc.

KOBE STEEL, LTD. U.S. \$100,000,000 5 3/8% per cent. Guaranteed Bonds 1991. unconditionally and irrevocably guaranteed as to payment of principal and interest by The Industrial Bank of Japan, Limited. with Warrants to subscribe for shares of common stock of Kobe Steel, Ltd. Issue Price 100 per cent.

CITICORP BANKING CORPORATION. U.S.\$250,000,000 GUARANTEED FLOATING RATE SUBORDINATED CAPITAL NOTES DUE JANUARY 1997. Notice is hereby given that the rate of interest has been fixed at 8 1/4%.

CITICORP BANKING CORPORATION. U.S.\$400,000,000 GUARANTEED FLOATING RATE SUBORDINATED CAPITAL NOTES DUE OCTOBER 1996. Notice is hereby given that the rate of interest has been fixed at 8 1/4%.

Handwritten note in Arabic script: كتاب التاجر

INTL. COMPANIES

TNT builds profits on overnight success

THE TWIN towers of TNT... profits trough in 1982-84 is a thing of the past.

On one estimate, that of A. C. Cooke, TNT's net profit this year could improve from A\$75.6m to A\$108m...

More than neighbours, TNT and News are the best of partners, as the print unions have discovered in the UK...

Like News, TNT is among Australia's 50 biggest companies, with market capitalisation of about A\$900m (US\$640m).

And, like News, it has prospered internationally, building what is probably the most complete and integrated range of transport services in the world...

Services include general and express freight, bulk and local carriage, refrigerated transport and storage, radio-controlled courier delivery, warehousing and distribution...

At a mid-December price of A\$2.35, the shares were trading at an 18 per cent discount on the Australian All-Industrials average for prospective 1986-87 earnings...

Part of TNT's North American strategy is to become the leading door-to-door commodity carrier by acquiring trucking companies with a strong regional base...

At home, TNT operates Australia's largest transport system, converted into a A\$50m profit last year, the group is carrying tax loss benefits of approximately US\$100m.

The Nippon Credit Bank (Curacao) Finance N.V.

US\$ 100,000,000 12 1/2% Guaranteed Notes due 1992

NOTICE IS HEREBY GIVEN that pursuant to Condition 5(b) of the Notes, US\$ 21,000,000 principal amount of the Notes has been drawn for redemption on the 3rd March, 1986...

The serial numbers of the Notes drawn for redemption are as follows:—

Table of serial numbers for US\$ 100,000,000 12 1/2% Guaranteed Notes due 1992. The table lists 1000 serial numbers in two columns.

Dubai claim by US bank

BANKERS TRUST of New York has filed a claim in the Dubai courts against the Galadari brothers...

The suit by the US bank is separate to that filed by Dubai Bank, a hearing on which was adjourned yesterday.

A total of 15 banks have outstanding loans with the group owned and managed by Mr Abdul Rahim Galadari and Mr Abdul Latif Galadari...

It is understood that Citic agreed to come to Ka Wah's rescue only as a result of protracted discussion, and as a contribution to maintaining the stability of Hong Kong's troubled banking sector.

Ka Wah is understood to have run into serious difficulties because of a number of bad or doubtful loans to borrowers in Malaysia, and because of an unusually heavy dependence on credit in the interbank market.

Cement group earnings slide

By Wong Sulong in Kuala Lumpur MALAYAN CEMENT, a cement and property group, has reported a 37 per cent drop in pre-tax profits to 29.3m ringgit (\$12m) for the year ended...

Modest growth at Shiseido

By Yoko Shibata in Tokyo SHISEIDO, Japan's top cosmetics company, yesterday reported pre-tax profits of ¥1.46bn (\$16.2m) for the year to November, up 0.6 per cent.

Parent net profits rose 5 per cent to ¥12.05bn on sales of ¥28.23bn, up 1.8 per cent, as modest growth rate which was blamed on the fall in demand for products for men.

Citic begins direct talks on Ka Wah Bank takeover

BY DAVID DODWELL IN HONG KONG SONG ZEMING, vice president of Citic International Trust and Investment Corporation (Citic), the Peking-based financial services group, arrived in Hong Kong yesterday to begin direct negotiations over Citic's planned takeover of the ailing Ka Wah Bank.

Earlier this month Citic agreed in principle that it would take a 90 per cent stake in Ka Wah, which has 27 branches in Hong Kong, and in which the Singapore-based Low family has a 40 per cent holding.

Ka Wah is understood to have run into serious difficulties because of a number of bad or doubtful loans to borrowers in Malaysia, and because of an unusually heavy dependence on credit in the interbank market.

Bankers Trust Company, Banque Indosuez Luxembourg, Swiss Bank Corporation, Aeschenvorstadt 1 CH-4002 Basle Switzerland, Agent Bank

INTERNATIONAL COMPANIES and FINANCE

Canadian Euroyen bond succeeds

BY ALEXANDER NICOLL

CANADA YESTERDAY met a warm reception when it launched the largest issue yet seen in the Euroyen bond market. The 780bn bond attracted broad interest despite an uncertain performance in the domestic yen bond market.

Bank of Tokyo International, the seven-year issue has a 6 1/2 per cent coupon and 10 1/2 per cent price, and was trading just inside its fees.

First Boston. The indicated coupon is 6 1/2 to 7 per cent and conversion premium 16 to 20 per cent, with pricing due by Thursday.

The Canadian dollar Euro-bond market was reopened by the Australian Industrial Development Corporation, with a Commonwealth guarantee.

Olivetti plans fixed-rate Swiss issue

By Alan Friedman in Milan

OLIVETTI, Italy's leading office automation group, is planning to launch a fixed-rate issue on the Swiss franc foreign bond market to raise the equivalent of 1,200m (SwFr 43m at current exchange rates).

Higher February DM calendar

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT

WEST GERMAN banks have registered a calendar of 26 D-Mark Eurobonds totalling DM 6,71bn for issue in February, well up on the DM 5,65bn calendar set for January.

It was impossible to predict how much of February's calendar would actually hit the market. This depends not only on overall interest trends but also on lead managers' ability to put together swaps which are expected to accompany many of the issues.

The new calendar includes 20 fixed-rate issues for a total of DM 5bn, but only one floating-rate note for DM 250m.

Generale Bank launches hedging tool

BY PAUL CHEESEBRIGHT IN BRUSSELS

GENERALE BANK, the biggest of the Belgian commercial banks, yesterday launched what it claims is a "unique tool" for hedging against foreign exchange risks.

is directed initially at Belgian corporations. Nearly three-quarters of Belgium's foreign trade is invoiced in foreign currencies, some of which, notably the dollar, have had violently fluctuating Belgian franc rates.

Of the total 15m limited-weight shares available, 5m have been pre-placed by First Boston, and a further 5m are to be issued internationally, subject to the Bank of Finland's consent.

US reopens foreign targeted debt sales

By Maggie Urry

THE US Treasury is reopening its programme of debt sales targeted at foreign investors, after a pause since last June. Next week's 10-year issue, part of the current quarterly \$25bn refunding package, will include \$1bn to be sold in targeted form.

The first issue, a four-year bond, was well received with bids for four times the \$1bn on offer. The US Treasury was able to sell the bonds on a lower yield than the domestic portion of the same issue and thus to save money. Later issues had a less rapturous reception, limiting the cost savings, and traders say the issues have proved illiquid in the secondary market.

International placement by UBF

By Our Euromarkets Staff

Union Bank of Finland (UBF) has become the first Finnish bank to place shares internationally with a FM 300m issue due to be subscribed by early March.

Theo Max van der Beugel dies at 39

By Our Euromarkets Staff

Mr Theo Max van der Beugel, a managing director of Swiss Bank Corporation International, has died suddenly, aged 39.

DOMESTIC BOND MARKETS

Tokyo lower after early rise

THE YEN bond market closed lower as early bullish sentiment, due to sharp falls in short-term interest rates, dissipated on fears of a 0.2 percentage point cut in the coupon rate on the February 10-year government bonds to 5.9 per cent.

Frankfurt down in active trade

IN FRANKFURT domestic bonds ended lower in moderately active bond trading, with many investors on the sidelines because of confusion about the direction of US interest rates.

French T-bills top FFr 10bn

THE FRENCH Treasury bill market is developing strongly with some FFr 10.5bn of bills issued since the market's launch last December of which FFr 8.3bn is still in circulation.

Japanese banks' lending abroad overtakes US

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT

JAPANESE banks now far outstrip their US counterparts in terms of the volume of their international lending, according to new figures published today by the Bank for International Settlements.

The figures, which bring new insight into the structure of the world's banking system, show that international lending by Japanese banks totalled \$639.8bn at the end of September last year whereas that of US banks was only \$380.3bn.

They also show that the international banking system relied as of last September on the issue of certificates of deposit to the tune of \$89bn to fund its lending business. Only \$15.7bn more certificates were issued in the hands of other banks which means they provided a substantial source of outside funds to the market.

International assets and liabilities by bank nationality

Table with columns: Bank, Assets, Liabilities. Rows: Japan, US, France, UK, Germany.

Figures in \$bn as of September 1985. Source: BIS.

to totals for final lending to non-bank customers. Japanese banks were only \$10bn ahead at \$179.1bn.

Between them Japanese and US banks accounted for nearly half the overall international banking market with shares of 38 per cent and 25.4 per cent respectively, although the US figure may be somewhat overstated because the figures include lending to offshore branches.

Other national groups come well behind the two front runners, with British-owned banks in fourth place with a share of just 7.4 per cent after the French banks with 8.8 per cent of the market.

FT INTERNATIONAL BOND SERVICE

Listed are the 200 latest international bonds for which there is an adequate market. Closing prices on January 30

Table with columns: Bond Name, Issued, Bid, Offer, Day, Week, Yield.

Table with columns: Bond Name, Issued, Bid, Offer, Day, Week, Yield.

Table with columns: Bond Name, Issued, Bid, Offer, Day, Week, Yield.

Table with columns: Bond Name, Issued, Bid, Offer, Day, Week, Yield.

Table with columns: Bond Name, Issued, Bid, Offer, Day, Week, Yield.

Table with columns: Bond Name, Issued, Bid, Offer, Day, Week, Yield.

Table with columns: Bond Name, Issued, Bid, Offer, Day, Week, Yield.

Table with columns: Bond Name, Issued, Bid, Offer, Day, Week, Yield.

Table with columns: Bond Name, Issued, Bid, Offer, Day, Week, Yield.

Table with columns: Bond Name, Issued, Bid, Offer, Day, Week, Yield.

Table with columns: Bond Name, Issued, Bid, Offer, Day, Week, Yield.

build-up by Japanese banks of interbank liquidity as part of their window-dressing activities ahead of September 30, the midpoint in their fiscal year.

The BIS says that lending was also boosted by a substantial flow of banking funds into the US. This amounted to \$13.5bn or 80 per cent of international lending to the main industrial countries which constitute its reporting area.

There was also a modest increase of \$8.9bn in lending to other countries including loans of \$2m to non-oil producing developing countries. Most of this lending went to Asia, with China taking \$3.3bn in new loans. Although gross claims on Latin America increased by \$1.2bn this was mostly that accounted for by an inflow of \$1.4bn to Argentina as disbursements began under its rescheduling package. Other countries in the region made net loan repayments on balance.

Lending to Eastern Europe also remained buoyant with \$1.7bn overall, including \$1.1bn to the Soviet Union. The increased lending was broadly matched by higher Comecon deposits in the Western banking system.

In the run-up to the position of its dollar memorandum on September 1, South Africa repaid \$400m in bank loans, while its deposits with international banks increased by \$300m during the quarter.

Finally the BIS reports a slowdown in lending by banks in currencies other than the dollar. Total claims denominated in yen declined slightly while those in Euro increased by the equivalent of only \$1.1bn. The BIS attributes this after development to a seasonal slowdown in Euro lending to Italian borrowers rather than a diminishing attraction of the unit as it appreciated against the dollar.

But it notes that Euro deposits by non-banks increased strongly, by 22 per cent to the equivalent of \$6.1bn.

Non-bank deposits by non-banks increased strongly, by 22 per cent to the equivalent of \$6.1bn.

Non-bank deposits by non-banks increased strongly, by 22 per cent to the equivalent of \$6.1bn.

Capital-Holding \$185,000,000 Multi-Option Facility. Includes logos for Chase Investment Bank, Chemical Bank International Group, Bank of America National Trust and Savings Association, The Bank of Tokyo Trust Company, The Fuji Bank, Limited, Morgan Guaranty Trust Company of New York, Trust Company Bank, Credit Lyonnais, The Connecticut National Bank, National Westminster Bank USA, Citizens Fidelity Bank and Trust Company, Hamilton Bank, Bank of America International Limited, Chase Manhattan Limited, County Bank Limited, Credit Suisse First Boston Limited, Merrill Lynch Capital Markets, Swiss Bank Corporation International Limited, The Chase Manhattan Bank (National Association) as Facility Agent and Short-Term Advances Agent, Chemical Bank International Limited as Euronote Tender Panel Agent, Chemical Bank as Issuing and Paying Agent.

Beecham denies it is in bid talks

Beecham denied strongly yesterday that it is in takeover or merger talks. In a formal statement to the Stock Exchange, the group said "no takeover or merger discussions have been held, and the company knows of no circumstances which indicate that a bid is under contemplation."

Fisons in Mexican pharmaceutical deal

Fisons announced yesterday that it has acquired Bracco De Mexico, a Mexican pharmaceutical company, for \$2.18m.

Guinness pay rise

Mr Ernest Saunders, the Guinness chief executive, received a 36 per cent pay rise last year. The company's annual report shows his pay rising from £150,900 to £195,900.

British Land sale

The British Land Company has completed the sale of its 50 per cent interest in Guildhall Investment Management to Asset Special Situations Trust.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether the dividends are interim or final and the subdivisions shown below are based mainly on last year's timetable.

JUSCO CO. LTD.

At a meeting of the Board of Directors of the above Company held on 14th January 1986 it was resolved that a free distribution of fully paid shares of common stock to shareholders on the register of shareholders as at 20th February 1986 be made on the basis of one new share for every twenty shares then held.

Weir forecasts 32% profit rise

Weir Group, the engineering company, yesterday announced an estimated 32 per cent increase in 1985 pre-tax profits and appeared to be preparing to contest takeover bids for Yarrow, its Glasgow neighbour.

It also estimated that net borrowings on December 27 totalled £12.2m (£19m) with share capital and reserves of £48.2m (£46.4m), giving gearing of 25.3 per cent (40.9 per cent).

It also calculated that it faced a £500,000 extraordinary charge over a potential loss on the sale of its gilt portfolio and the cost of its defence against Weir.

ERIC and Goal in fresh share shuffle

ERIC and Goal in fresh share shuffle. The shareout in the UK independent oil sector took a fresh twist yesterday with a series of major share purchases which will affect the future of two companies—Energy Recovery Corporation, and Goal Petroleum.

Bricom and Electra are believed to have told Mr Heaney that they would be keen to back him in any future oil venture. This is implied in Electra and Bricom's move on Goal.

Mr David Boyd, the chief executive of Goal, said yesterday that he welcomed his three new shareholders. He added that a merger between Goal and Premier was "a feasible option".

ML Holdings past £700,000

M. L. Holdings, manufacturing engineer, has increased inter-divisional profits from £423,000 to £707,000 on turnover ahead from £15m to £23.8m.

Months amounted to \$424,000, against \$335,000, after tax of \$385,000 (£190,000).

necessary for improving its profits. The company has been trying to tighten up existing contracts and deal directly like to see the M10 switching to a fixed priced system.

Kwik-Fit in £1.2m purchase

Kwik-Fit (Tyres and Exhausts) has agreed to acquire Monarch Motoring Centres from the BVS Group for £1.2m cash.

Mr W. J. Jordan, chairman of Kwik-Fit, said yesterday that the deal was important in that it would give his company sites in areas where currently it is not represented.

30 new outlets would be opened in the next financial year but no other acquisitions were being considered at the moment.

COMPANY NEWS IN BRIEF

RESULTS OCEANA CONSOLIDATED Company reported lower net profits of £75,428, against £86,997, for the six months to end-September 1985. Directors say that the two main factors affecting profits were a lower level of realised investment gains and the initial costs of about £15,000 relating to the new division, Oceana Asset Management. The company does not pay interim dividends.

Kunick buys managers of Wham! pop group

KUNICK LEISURE, the fast-growing entertainment group, yesterday announced a 67 per cent increase in profits for the year ended September 30 1985 and revealed that it had just acquired Nomis Management, which manages the pop group Wham!

Mr David Hudd, the chairman, said he was disappointed by a reduction in trading profit from £668,000 to £546,000 and said the main improvement had come from an increase in each Wham! record's interest of £548,000.

M&G profits up by 43% to £10m

AN ALL-ROUND improvement in performance boosted the results of M & G Group unit trust group by almost 43 per cent in the year to September 30 1985.

The group said its investments in gilts and fixed interest had risen from 17 per cent in 37 per cent and this had brought about a rise in investment income.

The results from M & G maintain the group's record of 23 per cent a year growth over the past six years. Conditions during the year were very favourable for both unit trusts, and life assurance operations, particularly in the individual pension field. The group's insistence in marketing either direct to the public through Press advertisements—where it accounts for 18 per cent of total unit trust investments—and through independent financial advisers has maintained both the quantity and quality of its business. The outlook in the current year remains good, with business in the first quarter on target. Unit trust sales continue to break records under conditions of buoyant equity markets, while life assurance sales remain strong. The group's direct fund management operations remain comparatively small, but the intention is to increase these operations more aggressively. It feels that many funds will be looking for independence from their investment managers after Big Bang. In the group's growth should be maintained at recent levels—a probability fully discounted in the p/e of 25.5 on an unchanged share price of \$30p.

Sycamore loss halved

THE MAJOR rationalisation measures undertaken by Sycamore Holdings, formerly known as Burco Dean, enabled the company to move back into profit in the second half of 1984 and cut its full year losses by £775,000 to £820,000 pre-tax.

However, there is no dividend—last year shareholders received only an interim payment of 0.1p.

East Rand Consolidated PLC

Notice to shareholders. 1. Introduction On 26 March 1985, shareholders were informed that the drilling results on the vanadium deposit on the Farm Kennedy's Vale No. 361 K.T. ("Kennedy's Vale") indicated that exploitation thereof would be economic. A company, RHODIUM REEFES LIMITED - since renamed VANSA VANADIUM S.A. LIMITED (Reg No 84/11475/06) ("VANSA") - was formed to acquire the mineral rights over Kennedy's Vale as well as certain other properties and to mine and produce vanadium from Kennedy's Vale.

UK COMPANY NEWS

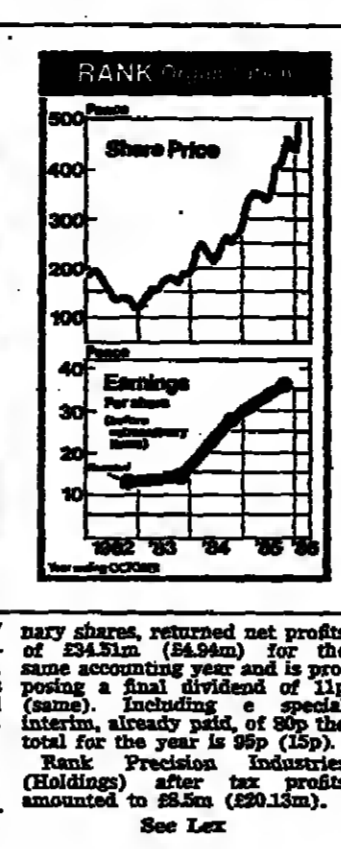
Rank rises 30% as growth gets underway

Rank Organisation, the leisure and entertainment group, yesterday best City estimates when it unveiled its 1984-85 results showing profits some 30 per cent ahead of those of the previous year.

More than half of the increase was due to lower interest charges. These were cut from £19.5m to £3.8m.

Chief executive and managing director Mr Michael Gifford pointed out that the earnings contribution from the managed businesses in 1984-85 had exceeded that from the associates for the first time in at least 20 years.

Mr Michael Gifford, chief executive of Rank Organisation, is shown in a black and white photograph.



Associated Fisheries lifts profit by 65%

Associated Fisheries, operator and manager of fishing vessels and fish processor, has increased full year taxable profits by nearly 65 per cent from £2.09m to £3.43m.

Lonrho lives up to market expectations with 17% increase

Lonrho, the international conglomerate, turned in results for 1985 in line with market expectations, with pre-tax profits up 17 per cent and earnings per share 22 per cent higher.



Associates boost for Douglas

CIVIL engineering and building contractor Robert M Douglas Holdings continued its recovery with pre-tax profits in the half year to September 30 1985 of £583,000 against a loss of £295,000 in 1984.

Domino up by 46% and still growing

Domino Printing Sciences, which obtained a listing in May 1984, has achieved a 46 per cent increase in pre-tax profits for the year to October 31 1985.

Mr Minto comments that since the year end the sale of inks continues to show strong growth.

Mr Minto says that since the year end the sale of inks continues to show strong growth.

figures. The pre-tax line may seem no more than on target but it has been raised after an unexpected £208,000 write-off against the cash purchase of Cydrol printers.

Mr John Douglas, the chairman, said overseas operations were profitable but in the UK both the construction and specialist contracting divisions made losses.

Mr Minto comments that since the year end the sale of inks continues to show strong growth.

Mr Minto says that since the year end the sale of inks continues to show strong growth.

figures. The pre-tax line may seem no more than on target but it has been raised after an unexpected £208,000 write-off against the cash purchase of Cydrol printers.

figures. The pre-tax line may seem no more than on target but it has been raised after an unexpected £208,000 write-off against the cash purchase of Cydrol printers.

Associated Fisheries lifts profit by 65%

Associated Fisheries, operator and manager of fishing vessels and fish processor, has increased full year taxable profits by nearly 65 per cent from £2.09m to £3.43m.

Wellcome is floated after 100-year history

THE FULL details of the sale of shares in Wellcome, the drug company owned by the charitable Wellcome Trust, are published today.

brokers to the issue are Hoare Govett, Rees & Pimms, and Cazenove. The application opens on February 7 and dealings begin on February 14.

Granville & Co. Limited. Member of The National Association of Security Dealers and Investment Managers. 8 Lovat Lane London EC3R 9BP. Telephone 01-421 1212.

Raglan Property up to £0.12m. THE INCREASING activity seen last year at Raglan Property Trust has come through in figures for the six months to the end of September 1985.

Castle backs Crucible offer

THE BOARD of First Castle Electronics yesterday agreed to recommend Crucible's improved £48m bid for the company to shareholders.

Dividends Announced

Table with columns: Company, Current payment, Date of payment, Corrected payment, Total of 1985, Total of 1984.

Bailey Shatkin. Five-Star-Service on the world's futures markets. Floor and Clearing Members of major UK and US Exchanges.

Daejin Holdings. Daejin Holdings, property investment and trading group, lifted pre-tax by 18 per cent from £6.28m to £7.39m for the six months to September 30, 1985.

Canadian Co-operative Credit Society Limited. U.S.\$90,000,000. Revolving Underwriting Facility Due 1990 (Series 2).

Canadian Co-operative Credit Society Limited. U.S.\$90,000,000. Revolving Underwriting Facility Due 1990 (Series 3).

Baring Bros. buys more Newman shares

Baring Brothers, the merchant bank advisers to McKeechie Brothers, which is making a contested bid for Newman Tonks, has acquired a further 600,000 Newman shares at prices between 126p and 129p a share.

Notice to Lombard Depositors

14 Days Notice. Minimum deposit is £2,500. 12 1/2% 9-34% 13-34%. Cheque Savings Accounts. When the balance is £2,500 and over.

Bailey Shatkin. In all your enquiries ask for the 'Five-Star-Service' World Trade Centre, International House, St Katharine's Way, London E1 9UN.

Ladbroke Index. 1,163-1,156 (unchanged). Based on FT Index. Tel: 01-427 4411.

Canadian Co-operative Credit Society Limited. U.S.\$90,000,000. Revolving Underwriting Facility Due 1990 (Series 2).

Canadian Co-operative Credit Society Limited. U.S.\$90,000,000. Revolving Underwriting Facility Due 1990 (Series 3).

Lombard North Central. 17 Bruton St, London W1A 3DH.

FT COMMERCIAL LAW REPORTS

Injunction not affected by mistake

HISPANICA DE PETROLES SA AND ANOTHER v VENCEDORA OCEANICA NAVEGACION SA (THE KAPETAN MARKOS) Court of Appeal (Lord Justice Ackner, Lord Justice Stephen Brown and Lord Justice Parker): December 19 1985. A MISTAKEN submission of law made by a plaintiff on application for a Mareva injunction is not a failure to disclose material facts necessitating discharge of the injunction; and accordingly, service of the writ, accepted by the defendant on the basis that the injunction was validly obtained, will not be set aside if the facts disclosed showed that the plaintiff has an arguable case against him.

The cargo but her crew abandoned her and she was taken in tow by CNAN, a state-owned Algerian salvage company. She was towed into an Algerian port where she and her cargo were arrested in support of CHAN's salvage claims. Thereafter Marc Rich sent the bills of lading on to Petroliber, having endorsed them to Petroliber. Eventually, on February 15 1981, the release of the cargo was procured by Petroliber on payment of a bill which was alleged to have been extortionate. The plaintiffs issued a writ against the owners of the vessel Markos, claiming damages for breach of contract and/or duty in the care of their cargo, and a declaration that they were entitled to be indemnified by the shipowners against liability for salvage.

On December 11 1980 they successfully applied ex parte for a Mareva injunction, which was subsequently discharged by Lord Justice Ackner. Pursuant to that agreement the shipowners' solicitors acknowledged service of the writ on January 19 1981. The points of claim were served on February 19. It was alleged that the plaintiffs were at all material times owners of the goods "being the consignees and/or endorsees of the bills of lading". Contractual claims were made on the basis of the bills of lading and their incorporation of the charterparty terms governing the rights of the parties.

Mr Justice Leggatt dismissed the summary judgment application and allowed amendments to be made to the pleadings to enable the plaintiffs to reformulate their claim in two alternative ways. They claimed that (a) they were undisclosed principals of Alpine Shipping under the charterparty of October 17; and (b) that there was a collateral contract between the plaintiffs and the shipowners for the carriage of oil on the terms of the bill of lading. The amendments involved an admission to the points of claim to include the assertion that the bill of lading issued at Sidi Kerir was issued pursuant to and subject to the terms of a voyage charterparty dated October 17 1980 between Alpine and the shipowners. Thus the plaintiffs continued to rely on the terms of the bill of lading and of the charterparty. What differed was the means by which they would be entitled to rely on them.

AUTHORISED UNIT TRUSTS

Table listing various unit trusts such as Abbey Unit Trust, Abbey National Unit Trusts, and others, with columns for name, address, and contact information.

FINANCIAL TIMES BOOKLETS

The following booklets are available from the Financial Times: Capital Gains. The key figures to calculating your tax. How to complete an equal terms. Job, pay, unions & ownership capital.

F.T. CROSSWORD PUZZLE No. 5,936

Crossword puzzle grid with numbers 1 through 28 indicating starting positions for clues.

ACROSS 1 Instrumentalist seen to sag after taking first drink (9) 2 First time to back fall of empire (7) 3 They might induce one to go to town with sailors (5-5) 4 Run away from sound of insect (4) 5 Revolted at finding one in stewed prunes (7) 6 Get rid of impediment in document (7) 7 Interminable object on the French ship (7) 8 First time to back fall of empire (7) 9 Revolve for speed (4) 10 Each is identical even so (3-3-4) 11 What's bequeathed includes a thousand for museum (9) 12 Church border on law-breaking (5) 13 Smooth letter to doctor (5) 14 Elsie Daly appears unable to say "No." (6-8) DOWN 1 Roast a steak and try a little just a little (5) 2 Is nude perhaps embarrassed at not being wanted? (9) 3 One thoroughly proficient at getting over turbulent stream (10)

APPOINTMENTS

Abbey National changes

In preparation for the proposed new legislation on general management, the ABBEY NATIONAL BUILDING SOCIETY. There are now seven general managers: Mr John Laybelle (director and general manager, marketing); Mr John M. Fry (director and general manager, corporate planning); Mr Peter Llewellyn (general manager, business development); Mr B. John Ellis (general manager and secretary, corporate services); Mr Terry Murphy (general manager, legal counsel); Mr Charles Toner (general manager, field operations); and Mr James Tyrrell (general manager, finance).

AUTHORISED UNIT TRUSTS & INSURANCES

Table listing various unit trusts and insurance companies, including names like 'Scottish Widows' and 'Scottish Life', with columns for company names and numerical values.

Table listing various unit trusts and insurance companies, including names like 'Scottish Widows' and 'Scottish Life', with columns for company names and numerical values.

Table listing various unit trusts and insurance companies, including names like 'Scottish Widows' and 'Scottish Life', with columns for company names and numerical values.

Table listing various unit trusts and insurance companies, including names like 'Scottish Widows' and 'Scottish Life', with columns for company names and numerical values.

INSURANCES

Handwritten text at the bottom of the page, possibly a signature or stamp.

INSURANCE, OVERSEAS & MONEY FUNDS

Table of insurance and overseas funds, including sections for Scottish Mutual Investments, Swiss Life Pension Ltd, and various international fund listings.

Main table of insurance, overseas, and money funds, listing various fund names, their managers, and performance metrics.

Table of money funds and bank accounts, including sections for Money Fund Trust Funds, Money Market Bank Accounts, and various international bank services.

Table of offshore and overseas funds, listing various international investment vehicles.

Table of offshore and overseas funds, continuing the list of international investment options.

Table of options, specifically 3-month call rates, listing various financial instruments and their prices.

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar weak on poor data

The dollar reacted sharply to disappointing US economic data yesterday... The D-mark was firmer in Frankfurt yesterday, helped by the dollar's sharp fall on disappointing US economic data.

There were numerous rumours circulating the market about possible intervention by the US Federal Reserve but these remained very faintly to prove or disprove. The market was also unsettled by the long term implications of lower oil prices and the possible impact on the US economy.

Table with columns: Jan 30, Day's Spread, Close, One month, % Three months, % Six months. Includes data for US, UK, Canada, France, Germany, etc.

Table with columns: Jan 30, Day's Spread, Close, One month, % Three months, % Six months. Includes data for UK, Ireland, Canada, France, Germany, etc.

Table with columns: Jan 30, Day's Spread, Close, One month, % Three months, % Six months. Includes data for UK, Ireland, Canada, France, Germany, etc.

Table with columns: Jan 30, Short term, 1 Month, 3 Months, 6 Months, 1 Year. Includes data for Sterling, DM, Yen, etc.

Table with columns: Jan 30, Short term, 1 Month, 3 Months, 6 Months, 1 Year. Includes data for Sterling, DM, Yen, etc.

Table with columns: Jan 30, One Month, Two Months, Three Months, Six Months, One Year. Includes data for Frankfurt, London, Zurich, etc.

Table with columns: Jan 30, One Month, Two Months, Three Months, Six Months, One Year. Includes data for Frankfurt, London, Zurich, etc.

FINANCIAL FUTURES

Some recovery

Prices of dollar dominated contracts fell on the London International Financial Futures Exchange yesterday, but finished well above their opening levels.

Prices of dollar dominated contracts fell on the London International Financial Futures Exchange yesterday, but finished well above their opening levels.

Table with columns: Jan 30, Bank of England, Morgan Guaranty, % Change. Includes data for Sterling, DM, Yen, etc.

Table with columns: Jan 30, Bank of England, Morgan Guaranty, % Change. Includes data for Sterling, DM, Yen, etc.

Table with columns: Jan 30, Bank of England, Morgan Guaranty, % Change. Includes data for Sterling, DM, Yen, etc.

Table with columns: Jan 30, Bank of England, Morgan Guaranty, % Change. Includes data for Sterling, DM, Yen, etc.

Table with columns: Jan 30, Bank of England, Morgan Guaranty, % Change. Includes data for Sterling, DM, Yen, etc.

Table with columns: Jan 30, Bank of England, Morgan Guaranty, % Change. Includes data for Sterling, DM, Yen, etc.

Table with columns: Jan 30, Bank of England, Morgan Guaranty, % Change. Includes data for Sterling, DM, Yen, etc.

US TREASURY BONDS

Table with columns: Maturity, Bid, Ask, High, Low, Prev. Includes data for 100-22, 100-27, 100-32, etc.

Table with columns: Maturity, Bid, Ask, High, Low, Prev. Includes data for 100-22, 100-27, 100-32, etc.

Table with columns: Maturity, Bid, Ask, High, Low, Prev. Includes data for 100-22, 100-27, 100-32, etc.

Table with columns: Maturity, Bid, Ask, High, Low, Prev. Includes data for 100-22, 100-27, 100-32, etc.

Table with columns: Maturity, Bid, Ask, High, Low, Prev. Includes data for 100-22, 100-27, 100-32, etc.

Table with columns: Maturity, Bid, Ask, High, Low, Prev. Includes data for 100-22, 100-27, 100-32, etc.

Table with columns: Maturity, Bid, Ask, High, Low, Prev. Includes data for 100-22, 100-27, 100-32, etc.

Table with columns: Maturity, Bid, Ask, High, Low, Prev. Includes data for 100-22, 100-27, 100-32, etc.

Table with columns: Maturity, Bid, Ask, High, Low, Prev. Includes data for 100-22, 100-27, 100-32, etc.

Table with columns: Maturity, Bid, Ask, High, Low, Prev. Includes data for 100-22, 100-27, 100-32, etc.

LEGAL NOTICES

IN THE MATTER OF "PROCO" PROJECT DEVELOPMENT CONSULTANTS LIMITED AND IN THE MATTER OF CYPRUS COMPANIES LAW CAP 113

NOTICE IS HEREBY GIVEN that the creditors of the above-named company which is being voluntarily wound up are required to file their claims...

IN THE MATTER OF CLASSIC PLASTICS LIMITED AND IN THE MATTER OF THE COMPANIES ACT 1985

NOTICE IS HEREBY GIVEN that the creditors of the above-named company, which is being voluntarily wound up, are required to file their claims...

IN THE MATTER OF THE SCOTTISH AGRICULTURAL SECURITIES CORPORATION PLC

NOTICE IS HEREBY GIVEN that the REGISTERED OFFICE of the CORPORATION is now at 11, GERRARD STREET, LONDON, E.C.4

COMPANIA TELEFONICA NACIONAL DE ESPANA Floating Rate Note Issue 1980/1991 of US\$ 50 million

THE RATE OF INTEREST applicable for the six months period beginning on January 31 1986 and ending on July 31 1986 is 8.25% annually.

REPUBLIC OF SOUTH AFRICA US\$25,000,000 8 1/2% 1977/87

REPUBLIC OF SOUTH AFRICA US\$25,000,000 8 1/2% 1977/87

WORLD VALUE OF THE DOLLAR

BANK OF AMERICA NT & SA, ECONOMICS DEPARTMENT, LONDON

The table below gives the rates of exchange for the U.S. dollar against various currencies as of Wednesday, January 29, 1986.

Table with columns: COUNTRY, CURRENCY, VALUE OF DOLLAR. Includes data for Afghanistan, Algeria, Angola, Argentina, Australia, Austria, etc.

LONDON SHARE SERVICE

Table containing various financial data including 'BRITISH FUNDS', 'AMERICANS - Cont.', 'CANADIANS', 'CORPORATION LOANS', 'COMMONWEALTH & OSEAS GOVT STERLING ISSUES', 'LOANS', 'PUBLIC BOARD AND IND.', 'FOREIGN BONDS & RAILS', 'AMERICANS', 'BUILDING, TIMBER, ROADS - Cont.', 'BEERS, WINES & SPIRITS', 'HOTELS AND CATERERS', and 'INDUSTRIALS (Misc.)'.

Table containing various financial data including 'BUILDING, TIMBER, ROADS - Cont.', 'DRAPERY & STORES - Cont.', 'ELECTRICALS', 'CHEMICALS, PLASTICS', 'FOOD, GROCERIES', 'HOTELS AND CATERERS', and 'INDUSTRIALS (Misc.)'.

Table containing various financial data including 'ENGINEERING - Continued', 'INDUSTRIALS - Continued', 'HOTELS AND CATERERS', and 'INDUSTRIALS (Misc.)'.

Handwritten Arabic text at the bottom center of the page.

Financial Times Friday January 31 1936

INDUSTRIALS—Continued

Table of industrial stocks including companies like British Petroleum, Shell, and various engineering firms. Columns include stock name, price, and other financial metrics.

LEISURE—Continued

Table of leisure and entertainment stocks, including cinema chains and amusement parks.

PROPERTY—Continued

Table of real estate and property-related stocks, including land development and housing companies.

INVESTMENT TRUSTS—Cont.

Table of investment trusts, providing details on various pooled investment funds.

FINANCE, LAND—Cont.

Table of finance and land-related stocks, including banks and land management companies.

MINES—Continued

Table of mining stocks, covering various metal and coal mines.

INSURANCES

Table of insurance companies and their stock prices.

PAPER, PRINTING, ADVERTISING

Table of paper, printing, and advertising industry stocks.

SHOES AND LEATHER

Table of shoe and leather goods manufacturing stocks.

SOUTH AFRICANS

Table of stocks listed on the Johannesburg Stock Exchange.

TEXTILES

Table of textile manufacturing stocks.

OVERSEAS TRADERS

Table of international trading and shipping stocks.

PROPERTY

Table of property stocks (repeated).

PROPERTY

Table of property stocks (repeated).

PROPERTY

Table of property stocks (repeated).

PROPERTY

Table of property stocks (repeated).

PROPERTY

Table of property stocks (repeated).

PROPERTY

Table of property stocks (repeated).

Notes and regional/irish stocks section at the bottom of the page.

LONDON STOCK EXCHANGE

MARKET REPORT

First Last For Deal- Declara- Settling- ings ment Jan 20 Jan 31 Apr 24 May 6 Feb 3 Feb 14 May 8 June 9 Feb 17 Feb 28 May 29 June 9 For rate indications see end of Unit Trust Service

Intense bid speculation masks strong trend of leading stocks

A resurgence of takeover speculation in London yesterday tended to cancel the strong underlying trend of leading stocks. The FT Ordinary share index surpassed the previous closing peak of 1155.4 to end at 1164.4, a record since the FT-SE 100 share index moved 8.1 net to its all-time best, but the business yesterday involved many stocks which are not constituents of either index.

at 1121. Mercury Securities, in which Mr Saul Steinberg of the US has over an 11 per cent stake, jumped 30 pence for a two-day gain of 40 to 79p. Elsewhere, the major clearing banks attracted renewed support with Barclays closing a further 7 pence at 453p on further confirmation of the proposed \$500m floating rate note issue.

FINANCIAL TIMES STOCK INDICES

Table with columns for indices: Government Secs, Fixed Interest, Ordinary, Gold Mines, etc. with values for Jan 30, Jan 29, Jan 28, Jan 27, Jan 26, Jan 25, Jan 24, Jan 23, Jan 22, Jan 21, Jan 20.

Table with columns: HIGH AND LOWS, S.E. ACTIVITY. Lists high and low prices for various sectors like Govt. Secs, Fixed Int., Ordinary, Gold Mines.

up to 56p on news that ERIC the solid as well as 11 per cent stake. Elsewhere Energy Capital put on a more to 42p reflecting persistent speculative buying.

Another lively business developed in Lonsdale; marked down 22p in immediate reaction to preliminary profits below most estimates, the shares soon attracted revived speculative support on hopes of a consortium bid and touched 200p before settling 2 up on balance at 222p.

The burst of speculative activity, which caused dealers to describe the market as frothy, showed few signs of abating either in the morning or afternoon trade. Front-taking sales were soon snuffed up and only a few shares closed below the day's best levels.

Hamroes advanced strongly after hours to finish the session 35 higher at a new peak of 200p following the announcement from major shareholder Haulage that it had formulated proposals to Hamroes encompassing the possible entrenchment of the group's limited voting shares.

Leading Brewers generally made modest headway in subdued trading. Bass put on a few pence to 645p, as did Alliance to 265p, Sealed Air and Newcastle rose 6 to 177p in belated response to a broker's bullish circular.

The Building sector included several bright features. John Laing, a neglected market of late, spurred 16 to 314p in response to a broker's circular, while John Howden rose 2 1/2 to 336p following a burst of aggressive buying.

year reflecting takeover speculation and rumors of expansion over offer from Weir, out to 57 to 580p. Talk of a broker's circular prompted late demand for Staveley which advanced 22 to 395p in market news too well supplied with takeover speculation.

Shoes and Leather counters featured Newbold and Burton which rose 10 to 79p on revived speculative support; the annual results are expected next month. Investors continued to support Ashted in the wake of recent bullish comment on prospects for home computer sales and, after touching 260p, the shares closed a further 16 up at 255p.

dividend forecast, while Yarwood, currently subject of a takeover offer from Weir, out to 57 to 580p. Talk of a broker's circular prompted late demand for Staveley which advanced 22 to 395p in market news too well supplied with takeover speculation.

Oil quiet. Leading oils were generally a shade firmer after a quiet and steady session. Ultramar moved up to 212p, reflecting the potential of 2 to 140p, after 143p. Secondary issues showed Carless Capel 4-firmer at 82p following Press comment while Goal put to 291p.

FT-ACTUARIES SHARE INDICES

Table showing FT-Actuaries Share Indices for EQUITY GROUPS & SUB-SECTIONS and FIXED INTEREST. Includes columns for Index No., Day's Change, etc.

Rank Org. feature

Rank Organisation featured a gain of 94 at 494p in response to preliminary figures well above market expectations. The firm's involvement in the miscellaneous industrial sector, a revival of bid speculation left Lep Group with a rise of 19 at 251p, while Xcel moved to 291p.

Oil quiet

Oil quiet. Leading oils were generally a shade firmer after a quiet and steady session. Ultramar moved up to 212p, reflecting the potential of 2 to 140p, after 143p. Secondary issues showed Carless Capel 4-firmer at 82p following Press comment while Goal put to 291p.

FIXED INTEREST

Table showing Fixed Interest rates for various terms: British Government, 5 years, 10 years, etc.

YESTERDAY'S ACTIVE STOCKS

Table listing yesterday's active stocks with columns for Stock, Closing Day's Change, etc.

WEDNESDAY'S ACTIVE STOCKS

Table listing Wednesday's active stocks with columns for Stock, No. of Wed. changes, etc.

EUROPEAN OPTIONS EXCHANGE

Table showing European Options Exchange data for various stocks like Gold, Shell, etc.

First yield, High and low record, base dates, values and constituent changes are published in Saturday edition. A list of constituents is available from the Publishers, the Financial Times, Bankers House, Cannon Street, London, EC4P 4DF, price 15p, by post 25p.

RECENT ISSUES

Table listing recent issues of equities with columns for Stock, Issue Date, etc.

FIXED INTEREST STOCKS

Table listing fixed interest stocks with columns for Stock, Issue Date, etc.

RIGHTS OFFERS

Table listing rights offers with columns for Stock, Issue Date, etc.

RISES AND FALLS

Table showing rises and falls in various markets like British Funds, Foreign Bonds, etc.

NEW HIGHS AND LOWS FOR 1985/86

Table showing new highs and lows for 1985/86 for various stocks.

TRADITIONAL OPTIONS

Table listing traditional options with columns for Option, Calls, Puts, etc.

First yield, High and low record, base dates, values and constituent changes are published in Saturday edition. A list of constituents is available from the Publishers, the Financial Times, Bankers House, Cannon Street, London, EC4P 4DF, price 15p, by post 25p.

Handwritten text in Arabic script: سوق لندن للأوراق المالية

WORLD STOCK MARKETS

AUSTRIA

Table of Austrian stock prices including Creditanstalt, Oesterreichische, and others.

GERMANY

Table of German stock prices including Allianz, Bayer, and others.

BELGIUM/LUXEMBOURG

Table of Belgian and Luxembourg stock prices including Belfrage, Belfrage, and others.

DENMARK

Table of Danish stock prices including Andelsbanken, Danmarks, and others.

FRANCE

Table of French stock prices including Air France, Bouygues, and others.

NETHERLANDS

Table of Dutch stock prices including AEG, Alcoa, and others.

ITALY

Table of Italian stock prices including Ansaldo, Fiat, and others.

SWITZERLAND

Table of Swiss stock prices including Adia, Alcon, and others.

AUSTRALIA

Table of Australian stock prices including ANZ, BHP, and others.

NORWAY

Table of Norwegian stock prices including Bergens, Christiania, and others.

SPAIN

Table of Spanish stock prices including Banco, Iberia, and others.

SWEDEN

Table of Swedish stock prices including Astra, Volvo, and others.

HONG KONG

Table of Hong Kong stock prices including Bank, Cheong, and others.

JAPAN

Table of Japanese stock prices including Daiichi, Daiwa, and others.

AUSTRALIA (continued)

Continuation of Australian stock prices.

JAPAN (continued)

Continuation of Japanese stock prices.

AUSTRALIA

Table of Australian stock prices including ANZ, BHP, and others.

CANADA

TORONTO

Prices at 2:30pm

Table of Toronto stock prices including Alcan, Bell, and others.

MONTREAL

Closing prices January 29

Table of Montreal stock prices including Alcan, Bell, and others.

OVER-THE-COUNTER

Nasdaq national market, 2:30pm prices

Table of over-the-counter stock prices including AMD, AMEC, and others.

Chief price changes

LONDON (in pence unless otherwise indicated)

Table of London stock price changes including RISES and FALLS.

NEW YORK

NYSE COMPOSITE

Table of New York stock market data.

STANDARD AND POORS

Table of Standard and Poors index data.

INDICES

Table of various stock indices including Australia, Belgium, and others.

NYSE ALL COMPANIES

Table of NYSE All Companies index data.

NYSE CONSOLIDATED 1500 ACTIVES

Table of NYSE Consolidated 1500 Actives index data.

TORONTO

Table of Toronto stock market data.

MONTREAL

Table of Montreal stock market data.

INDICES

Table of various stock indices.

NYSE ALL COMPANIES

Table of NYSE All Companies index data.

NYSE CONSOLIDATED 1500 ACTIVES

Table of NYSE Consolidated 1500 Actives index data.

TORONTO

Table of Toronto stock market data.

MONTREAL

Table of Montreal stock market data.

UK COMPANY NEWS

IN-DEPTH REPORTING DAILY IN THE FT

WORLD TRADE NEWS

GLOBAL COMMENT DAILY IN THE FT

NORTH AMERICAN QUARTERLY RESULTS

Table of quarterly financial results for various North American companies including American Can, Campbell, and others.

Prices at 3pm, January 30

NEW YORK STOCK EXCHANGE COMPOSITE PRICES

Main table containing stock prices for various companies, organized in columns with headers for stock names, prices, and changes.

Continued on Page 37

مكتبة الأهل

NYSE COMPOSITE PRICES

Table of NYSE Composite Prices listing various stocks with columns for stock name, price, and change.

AMEX COMPOSITE PRICES

Table of AMEX Composite Prices listing various stocks with columns for stock name, price, and change.

Prices at 3pm, January 30

Table of Prices at 3pm, January 30 listing various stocks with columns for stock name, price, and change.

OVER-THE-COUNTER

Quoted national market, 2:30pm prices

Table of Over-the-Counter prices listing various stocks with columns for stock name, price, and change.

Table of Over-the-Counter prices listing various stocks with columns for stock name, price, and change.

Continued on Page 35

Advertisement for ANTWERP/BRUSSELS/GENT/KORTRIJK LEUVEN/LUXEMBOURG BELGIUM & LUXEMBOURG, featuring a hand delivery service and contact information for Philippe de Norman.

